

**2025
HANDBOOK**

**EMERGENCY
SOLUTIONS
GRANT**



**KANSAS
HOUSING**

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I. Overview

A. Description

The Emergency Solutions Grants (ESG) program is authorized by subtitle B of title IV of the McKinney-Vento Homeless Assistance Act ([42 U.S.C. 11371-11378](#)). The program authorizes the Department of Housing and Urban Development (HUD) to make grants to States, units of general-purpose local government, and territories for the rehabilitation or conversion of buildings to use as emergency shelter for the homeless, for the payment of certain expenses related to operating emergency shelters, for essential services related to emergency shelters and street outreach for the homeless, and for homelessness prevention and rapid re-housing assistance

The Emergency Solutions Grant provides funding to

1. Engage homeless individuals and families living on the street.
2. Improve the number and quality of emergency shelters for homeless individuals and families.
3. Help operate these shelters.
4. Provide essential services to shelter residents.
5. Rapidly re-house homeless individuals and families.
6. Prevent families and individuals from becoming homeless.

B. Definitions: (24 CFR 576.2)

- **Recipient** means any State, territory, metropolitan city, or urban county, or in the case of reallocation, any unit of general-purpose local government that is approved by HUD to assume financial responsibility and enters into a grant agreement with HUD to administer assistance under this part. Kansas Housing Resources Corporation is the **recipient** of the Kansas non-entitlement ESG funds.
- **Subrecipient** means a unit of general-purpose local government or private nonprofit organization to which a recipient makes available ESG funds. Kansas Housing Resources Corporation (KHRC) as a State Recipient subgrants ESG funds (except for funds for administrative costs and HMIS costs) to **subrecipient organizations**.
- **Private nonprofit organization** means a private nonprofit organization that is a secular or religious organization described in section 501(c) of the Internal Revenue Code of 1986 and which is exempt from taxation under subtitle A of the Code, has an accounting system and a voluntary board, and practices nondiscrimination in the provision of assistance. A private nonprofit organization does not include a governmental organization, such as a public housing agency or housing finance agency. *Agencies that are awarded the ESG grant through a subrecipient will be called **ESG Funded Agencies** in the rest of this handbook.

C. ESG Funding Components:

Emergency Solution Grant Funding can be used for five program activities: street outreach, emergency shelter, homelessness prevention, rapid re-housing assistance, and HMIS; as well as administrative activities.

Street Outreach (SO): Meet the immediate needs of unsheltered homeless individuals and families by connecting them with emergency shelter, housing, and critical health services.

Emergency Shelter (ES): Increase the quantity and quality of temporary shelter provided to homeless individuals and families by paying for operating and essential services.

1. Essential Services
2. Operations

Homelessness Prevention (HP): Prevent households from becoming homeless through rental assistance and housing relocation and stabilization services.

1. Housing Relocation and Stabilization Services
 - a. Financial assistance
 - b. Service costs
2. Rental Assistance
 - a. Rental Assistance
 - i. Short term rent assistance – up to 3 months
 - ii. Medium term rent assistance – 4-24 months

Rapid Re-Housing (RRH): Quickly move homeless individuals and families into permanent housing through rental assistance and housing relocation and stabilization services.

1. Housing Relocation and Stabilization Services
 - a. Financial assistance
 - b. Service costs
2. Rental Assistance
 - a. Rental Assistance
 - i. Short term rent assistance – up to 3 months
 - ii. Medium term rent assistance – 4-24 months

Homeless Management Information System (HMIS): Support ESG subrecipient's and ESG funded agency's participation in the HMIS collection and data analysis of households that are homeless or at risk of homelessness.

Administration (AD): Support for the activities and supplies necessary to successfully administer the ESG program.

D. Obligation of Funds:

Kansas Housing Resources Corporation (KHRC) as a State Recipient must obligate the entire grant, with the exception of administrative costs. KHRC meets this requirement by awarding the ESG funds to subrecipient organizations through an annual competitive grant process. The subrecipient either subawards the funds to a private nonprofit organization or uses the funds to directly carry out an eligible ESG activity.

The annual awards to the subrecipient agencies are for fifteen months, July 1 – September 30.

All subrecipient agencies and ESG funded agencies will be expected to fully expend their awards within the 15-month grant period. * **KHRC reserves the right to recapture ESG funds from an agency if the agency is not able to fully expend the funds within the 15-month timeframe.**

E. Disbursement of Funds

As the state recipient of the ESG non entitlement funds, Kansas Housing prioritizes the ESG funding awards non entitlement communities. Generally, Kansas Housing does not award funds to Shawnee, Sedgwick, or Wyandotte counties, unless there is a surplus of funds.

Kansas Housing awards the ESG funds through a competitive grant application process. Kansas Housing posts the Notice of Funding Availability in March with funding applications due in May. A grant review committee, led by Kansas Housing, reviews eligible applications and makes funding recommendations to Kansas Housing executive leadership. Funding announcements are made in June.

Community non-profit agencies must coordinate the submission of the ESG funding application through a unit of local government (City or County). The municipalities will submit one joint application that includes the proposals from each agency on behalf of their jurisdiction. The application submission includes an ESG Subrecipient application completed by the municipality and an ESG Agency application completed by each of the non-profit agencies.

Non-profit agencies may submit a waiver request to KHRC for an exemption to the expectation of applying through a unit of local government. Additional instructions on the application forms and the waiver request process are shared when the ESG Notice of Funding Availability is posted.

APPLICATION Requirements:

1. Applications must be submitted on or before 5:00pm (central time) on the due date specified in the ESG NOFA to be reviewed. Late applications will not be considered for funding.
2. Applications must be complete and have all required attachments to be considered for funding. Incomplete applications will not be considered for funding.
3. Applications must be submitted electronically by email to ESG@kshousingcorp.org or uploaded into the SharePoint drive (only available to current ESG subrecipient agencies). Paper applications will not be reviewed and will not be considered for funding.

4. ESG agencies must submit their application through a subrecipient agency (unit of local government), unless they have received written approval from KHRC that they can apply without going through a unit of local government. The preapproval from KHRC must be received prior to the due date of the application. This waiver must be requested and approved each year. Agencies that have received a waiver in previous years must request a new waiver with every application.
5. The subrecipient application will be combined with the ESG funded agency application(s) and will be reviewed together. During the review process, the review team will assign one score for the combined application (project).
6. The combined application must have a total matching contribution that equals the total requested ESG funds.
7. Community agencies that have been approved to apply directly for the ESG funds without going through a unit of local government must submit both a Subrecipient application and an ESG Agency application.

F. Expenditure limits

Pursuant to 24 CFR 576.100, the combined total of funds for emergency shelter and street outreach is capped at 60% of the total awarded amount.

II. Participation with the CoC

The Emergency Solutions Grant program is part of the Continuum of Care network. ESG Subrecipient agencies and ESG funded agencies must participate in the Continuum of Care where their service area operates. The performance outcomes of the ESG agencies can impact the CoC's System Performance Measures. Kansas Housing Resources Corporation will evaluate the ESG agencies' performance outcomes during the application phase and during the ESG monitoring process.

Applicants must submit documentation showing their participation in the CoC when applying for ESG funding. Letters of Support from the CoC lead agency will be based on "meaningful participation in the CoC. To participate meaningfully means agencies send a consistent representative(s) who is authorized to represent the needs/views of the agency and its clientele" - KS-507 BOS COC COMPETITIONS AWARD APLICANT ELIGIBILITY REQUIREMENT POLICY AND PROCEDURES

ESG agencies must adhere to the CoC requirements, including adhering to the CoC written standards.

As members of the CoC, ESG agencies must participate with the CoC Housing inventory Count and the CoC Point-in-Time Count.

1. CoC Housing Inventory Count (HIC)

The Housing Inventory Count is an annual count that collects information about the beds and units in each Continuum of Care system. HUD funded agencies, including ESG funded agencies, are required to participate.

2. CoC Point-in-time (PIT) Count

The Point-Time (PIT) Count is an annual count of sheltered and unsheltered homeless persons. Generally, the PIT count occurs during the last ten days of January. The CoC Lead agency coordinates the PIT count on behalf of the CoC. HUD funded agencies, including ESG funded agencies, are required to participate.

III. HMIS

I. Participation in HMIS

Per ESG regulations, data on all persons served and all activities assisted under ESG must be entered into the applicable community-wide HMIS in the area in which those persons and activities are located, or a comparable database, in accordance with HUD's standards on participation, data collection, and reporting under a local HMIS. If the subrecipient is a victim service provider or a legal services provider, it may use a comparable database that collects client-level data over time (*i.e.*, longitudinal data) and generates unduplicated aggregate reports based on the data. Information entered into a comparable database must not be entered directly into or provided to an HMIS. (24 CFR 576.400(f))

II. Data Quality

A. Timeliness

All data shall be entered into HMIS in a timely manner. The timeliness data entry standards are: (HMIS Policies and Procedures, version 3.0, page 29)

- Emergency Shelters: Universal Data Elements and Housing Check-in /check-out are entered within 3 workdays (72 work hours after the check in / checkout time)
- Rapid Re-Housing and Homelessness Prevention Programs: Universal and program-specific data elements are entered within 3 workdays (72 work hours after the enrollment/eligibility established)
- Outreach Programs: Data elements entered within 3 workdays of the first outreach encounter. Upon engagement in services, all remaining Universal Data Elements entered within 3 workdays.

B. Completeness

All programs using the HMIS shall enter data for 100% of clients served (HMIS Policies and Procedures, version 3.0, page 30)

IV. Coordinated Entry

Coordinated Entry System (CES) is a statewide process for facilitating access to Continuum of Care and Emergency Solutions Grants (ESG) resources, designated for individuals and families experiencing homelessness. HUD requires all CoC's to develop and implement a coordinated assessment process. A coordinated assessment process covers the geographic area (CoC), is easily accessed by individuals and families seeking housing or services, is well advertised, and includes a comprehensive and standardized assessment tool. The assessment system may vary from community to community based on individual communities' needs.

All HUD funded programs, including ESG funded agencies, are required to participate in the CoC designated coordinated entry system 24 CFR 578.7(a)(8) and 24 CFR 576.400(d) and abide by the CoC's coordinated entry system policies and procedures. Victim Service Provider agencies may choose not to use the coordinated entry system.

ESG Street outreach and ESG Emergency shelter programs should utilize the coordinated entry system to housing resources for their clientele. ESG Homeless Prevention and Rapid Rehousing programs should receive their referrals from the coordinated entry system.

Evidence of participating with the coordinated entry system should be found in the client records.

V. ESG PROGRAM COMPONENTS AND ELIGIBLE ACTIVITIES

More information found at [HUD Exchange](#).

A. Street Outreach

[24 CFR Part 576.01 Street Outreach](#)

Component: Street Outreach. These activities are designed to meet the immediate needs of unsheltered homeless people by connecting them with emergency shelter, housing, and/or critical health services. § 576.101	
Activity type: Essential Services	
<u>Eligible costs:</u> <ul style="list-style-type: none">• Engagement• Case Management• Emergency Health Services• Emergency Mental Health Services• Transportation• Services for Special Populations	

ESG funds may be used for costs of providing essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. The term “unsheltered homeless people” is defined as –

- a) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning: (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; ...

There are 6 eligible activities for Street Outreach, as follows:

1. **Engagement** – the location, identification and relationship building with unsheltered homeless people and the engagement of them for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs. Eligible activities include assessment of needs and eligibility; providing crisis counseling; addressing urgent physical needs and actively connecting and providing information and referrals to programs targeted to homeless people and mainstream social services and housing programs. Eligible costs include the cell phone costs of outreach workers during the performance of these activities.
2. **Case management** – the assessment of housing and service needs and implementing individualized services to meet the needs of the program participant. Eligible services and activities are as follows: using the centralized or coordinated assessment system as required under § 576.400(d); conducting the initial evaluation required under § 576.401(a), including verifying and documenting eligibility; counseling; developing, securing and coordinating services; obtaining Federal, State, and local benefits; monitoring and evaluating program participant progress; providing information and

referrals to other providers; and developing an individualized housing and service plan, including planning a path to permanent housing stability.

3. Emergency health services. Eligible costs are for the direct outpatient treatment of medical conditions and are provided by licensed medical professionals operating in community-based settings, including streets, parks, and other places where unsheltered homeless people are living. Eligible treatment consists of developing a treatment plan; assisting program participants to understand their health needs; providing directly or obtaining emergency medical treatment; and providing medication and follow-up services.
4. Emergency mental health services. Eligible costs are the direct outpatient treatment by licensed professionals of mental health conditions operating in community-based settings, including streets, parks, and other places where unsheltered people are living. of the problem or improved individual or family functioning or circumstances. (iv) Eligible treatment consists of crisis interventions, and the prescription and management of psychotropic medications.
5. Transportation. The transportation costs of travel by outreach workers, social workers, medical professionals, or other service providers are eligible, provided that this travel takes place during the provision of services eligible under this section. The costs of transporting unsheltered people to emergency shelters or other service facilities are also eligible.
6. Services for special populations. ESG funds may be used to provide services for homeless youth, victim services, and services for people living with HIV/AIDS, so long as the costs of providing these services are eligible under paragraphs (a)(1) through (a)(5) of this section.

Implementation of Street Outreach - Street Outreach should be principally focused on one goal: that of supporting homeless households in achieving some form of permanent, sustainable housing. While Street Outreach teams may use incentives to encourage trust and build relationships, or to ensure that homeless households' emergency needs are met, the awards made should not be used to support other programs that seek to alleviate the burden of living on the streets. Outreach teams will have the most comprehensive knowledge of street-based individuals/ households within the locality. Outreach teams will be responsible for ensuring that a case plan is established for each household that is client centered, realistic and focused on a goal of permanent housing. Outreach teams will be expected to establish close working relationships with other service providers, not only Emergency Shelters, but other mainstream and housing-focused services, such as Rapid Re-Housing. Not every homeless household is expected to need admittance to an emergency shelter and Street Outreach teams should be prepared to implement a variety of interventions in securing permanent housing. Linkages should also be made to applicable mainstream programs such as SOAR, food stamps, TANF, etc.

B. Emergency Shelter

[24 CFR Part 576.102 Emergency Shelter](#)

Component: Emergency Shelter. These activities are designed to increase the quantity and quality of temporary shelters provided to homeless people, through the renovation of existing shelters or conversion of buildings to shelters, paying for the operating costs of shelters, and providing essential services. § 576.102			
Activity types:			
Essential Services	Renovation (also includes Major Rehab)	Shelter Operations	Assistance Required Under the Uniform Relocation and Real Property Acquisition Act of 1970 (URA)
<u>Eligible costs:</u> <ul style="list-style-type: none"> • Case management • Child Care • Education Services • Employment Assistance and Job Training • Outpatient Health Services • Legal Services • Life Skills Training • Mental Health Services • Substance Abuse Treatment Services • Transportation • Services for Special Populations 	<u>Eligible costs:</u> <ul style="list-style-type: none"> • Labor • Materials • Tools • Other costs for renovation (including rehab or conversion) 	<u>Eligible costs:</u> <ul style="list-style-type: none"> • Maintenance • Rent • Security • Fuel • Equipment • Insurance • Utilities • Food • Furnishings • Supplies necessary for shelter operation • Hotel/Motel Vouchers 	<u>Eligible costs:</u> <ul style="list-style-type: none"> • Relocation payments • Other assistance to displaced persons

From HUD ESG regulations, “emergency shelter means any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general or for specific populations of the homeless and which does not require occupants to sign lease or occupancy agreements.” Shelter stays should be avoided, if possible, and when not possible, limited to the shortest time necessary to help participants regain permanent housing. Emergency shelter programs should be closely linked to an array of programs to accomplish this goal of stable permanent housing including, but not limited to, rapid re-housing, transitional housing, affordable housing placement, and employment. Linkages should also be made to applicable mainstream programs such as SOAR, food stamps, TANF, etc.

ESG funds may be used for the costs of providing essential services to homeless families and individuals in emergency shelters and operating emergency shelters.

1. Case Management – (a) Using the centralized or coordinated assessment (b) conducting the initial evaluation, including verifying and documenting eligibility (c) counseling (d) developing, securing, and coordinating services and obtaining Federal, State, and local benefits (e) monitoring and evaluating program participants progress (f) providing information and referrals to other providers (g) providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking (h) developing an individualized housing and service plan, including planning a path to permanent housing stability.
2. Child Care – The costs of childcare for program participants, including providing meals and snacks, and comprehensive and coordinated sets of appropriate developmental activities are eligible. The children must be under the age of 13 unless they are disabled. Disabled children must be under the age of 18. The childcare center must be licensed by the jurisdiction in which it operates in order for its costs to be eligible.
3. Education Services – When necessary for the program participant to obtain and maintain housing, the costs of improving knowledge and basic educational skills are eligible. Services include instruction or training in consumer education, health education, substance abuse prevention, literacy, English as a second language, and General Educational Development (GED). Component services or activities are screening, assessment, and testing; individual or group instruction; tutoring; provision of books, supplies, and instructional material; counseling; and referral to community resources.
4. Employment assistance and job training. The costs of employment assistance and job training programs are eligible, including classroom, online, and/or computer instruction; on the job instruction; and services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. Learning skills include those skills that can be used to secure and retain employment. Services that assist individuals in securing employment consist of employment screening, assessment, or testing; structured job skills and job-seeking skills; special training and tutoring, including literacy training and prevocational training; books and instructional materials; counseling or job coaching; and referral to community resources.
5. Outpatient health services. Eligible costs are for the direct outpatient treatment of medical conditions and are provided by licensed medical professionals. ESG funds may be used only for these services to the extent that other appropriate health services are unavailable within the community. Eligible treatment consists of assessing a program participant's health problems and developing a treatment plan; assisting program participants to understand their health needs; providing directly or assisting program participants to obtain appropriate medical treatment, preventive medical care, and health maintenance services, including emergency medical services; providing medication and follow-up services; and providing preventative and non-cosmetic dental care.
6. Legal services. (A) Eligible costs are the hourly fees for legal advice and representation

by attorneys licensed and in good standing with the bar association of the State in which the services are provided, and by those under the supervision of the licensed attorney, regarding matters that interfere with the program participant's ability to obtain and retain housing. (B) ESG funds may be used only for these services to the extent that other appropriate legal services are unavailable or inaccessible within the community. (C) Eligible subject matters are child support, guardianship, paternity, emancipation, and legal separation, orders of protection and other civil remedies for victims of domestic violence, dating violence, sexual assault, and stalking, and appeal of veterans and public benefit claim denials. (D) Component services or activities may include client intake, preparation of cases for trial, provision of legal advice, representation at hearings, and counseling. (E) Fees based on the actual service performed (i.e., fee for service) are also eligible, but only if the cost would be less than the cost of hourly fees. Filing fees and other necessary court costs are also eligible. If the sub recipients' employees' salaries and other costs necessary to perform the services. (F) Legal services for immigration and citizenship matters and issues relating to mortgages are ineligible costs. Retainer fee arrangements and contingency fee arrangements are ineligible costs.

7. Life skills training. The costs of teaching critical life management skills that may never have been learned or have been lost during the course of physical or mental illness, domestic violence, substance use, and homelessness are eligible costs. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are budgeting resources, managing money, managing a household, resolving conflict, shopping for food and needed items, improving nutrition, using public transportation, and parenting.
8. Mental health services. (A) Eligible costs are the direct outpatient treatment by licensed professionals of mental health conditions. (B) ESG funds may only be used for these services to the extent that other appropriate mental health services are unavailable or inaccessible within the community. (C) Mental health services are the application of therapeutic processes to personal, family, situational, or occupational problems in order to bring about positive resolution of the problem or improved individual or family functioning or circumstances. Problem areas may include family and marital relationships, parent-child problems, or symptom management. (D) Eligible treatment consists of crisis interventions; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems.
9. Substance abuse treatment services. (A) Eligible substance abuse treatment services are designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors and are provided by licensed or certified professionals. (B) ESG funds may only be used for these services to the extent that other appropriate substance abuse treatment services are unavailable or inaccessible within the community. (C) Eligible treatment consists of client intake and assessment, and outpatient treatment for up to 30 days. Group and individual counseling and drug testing are eligible costs. Inpatient detoxification and other inpatient drug or alcohol treatment are not eligible costs.
10. Transportation. Eligible costs consist of the transportation costs of a program

participant's travel to and from medical care, employment, childcare, or other eligible essential services facilities. These costs include the following: (A) The cost of a program participant's travel on public transportation; (B) If service workers use their own vehicles, mileage allowance for service workers to visit program participants; (C) The cost of purchasing or leasing a vehicle for the recipient or Subrecipients in which staff transports program participants and/or staff serving program participants, and the cost of gas, insurance, taxes, and maintenance for the vehicle; and (D) The travel costs of recipient or Subrecipients staff to accompany or assist program participants to use public transportation.

11. Shelter operations. Eligible costs are the costs of maintenance (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter. Where no appropriate emergency shelter is available for a homeless family or individual, eligible costs may also include a hotel or motel voucher for that family or individual.

Shelter Operations: Maintenance

In general, maintenance activities include cleaning, minor or routine repairs of furnishings, equipment, and fixtures; and protective or preventative measures to keep a building, its systems, and its grounds in working order. Maintenance activities:

- Do not materially add to the value of the building/property.
- Do not appreciably prolong the useful life of the building/property; and
- Do not adapt the building/property to new uses.

Examples of maintenance activities could include replacing a few shingles on a leaky roof; patching leaking pipes or plumbing; replacing a broken window; fixing a crack in a sidewalk; filling potholes in a parking lot; and repairing portions of a fence.

Minimum period of use: The minimum period of use for maintenance activities is the same as for other shelter operations and essential service activities – that is, the subrecipient/ESG funded agency must provide services or shelter to homeless individuals and families at least for the period during which the ESG funds are provided (see §576.102©(2)).

Level of environmental review required: Maintenance activities are Categorically Excluded, Not Subject to §58.5 (CENST), meaning that maintenance is categorically excluded from National Environmental Policy Act (NEPA), and not subject to §58.6 (see §58.35(b)(3)).

C. Rapid Re-Housing

[24 CFR Part 576.104 Rapid Rehousing](#)

[24 CFR Part 576.105 Housing relocation and stabilization services](#)

[24 CFR Part 576.106 Short-term and medium-term rental assistance](#)

Component: Rapid Re-Housing. These activities are designed to move homeless people quickly to permanent housing through housing relocation and stabilization services and short- and/or medium- term rental assistance. § 576.104		
Activity types:		
Rental Assistance**	Housing Relocation and Stabilization Services	
Eligible costs:	Financial Assistance	Services Costs
<ul style="list-style-type: none"> • Short-term rental assistance • Medium-term rental assistance • Rental arrears <p>**Rental assistance can be project-based or tenant- based.</p>	<p>Eligible costs:</p> <ul style="list-style-type: none"> • Rental Application Fees • Security Deposits • Last Month's Rent • Utility Deposits • Utility Payments • Moving Costs 	<p>Eligible costs:</p> <ul style="list-style-type: none"> • Housing Search and Placement • Housing Stability Case Management • Mediation • Legal Services • Credit Repair

Households receiving Rapid Re-housing assistance do not have to income qualify at program entrance but must have an income below 30% Area Median Income (AMI) for the geographic area after twelve months of assistance at annual certification. Rapid Re-housing programs are designed to help homeless individuals and families rapidly transition into permanent housing. Linkages should also be made to applicable mainstream programs such as SOAR, TANF, etc. Rapid Re-housing funds may be used to provide housing relocation and stabilization services and short-to-medium-term rental assistance. Assistance must be necessary to help the program participant obtain and remain in permanent housing.

A. Housing Relocation and Stabilization Services

- Financial Assistance: rental application fees, security deposits, last month's rent, utility deposits, utility payments and moving costs.
- Services Costs: housing search and placement, housing stability case management, mediation, legal services, and credit repair.

B. Rent Assistance:

- Short Term (0-3 months)
- Medium Term (4-24 months)

C. Rental Arrears

* ESG funds may be used for a one-time payment for up to 6 months of rent in arrears, including any late fee on those arrears.

D. Homeless Prevention

[24 CFR Part 576.103 Homeless Prevention](#)

[24 CFR Part 576.105 Housing relocation and stabilization services](#)

[24 CFR Part 576.106 Short-term and medium-term rental assistance](#)

Component: Homelessness Prevention. These activities are designed to prevent an individual or family from moving into an emergency shelter or living in a public or private place not meant for human through housing relocation and stabilization services and short- and/or medium-term rental assistance. § 576.103		
Activity types:		
Rental Assistance**	Housing Relocation and Stabilization Services	
	Financial Assistance	Services Costs
<u>Eligible costs:</u> <ul style="list-style-type: none">• Short-term rental assistance• Medium-term rental assistance• Rental arrears <p>**Rental assistance can be project-based or tenant- based.</p>	<u>Eligible costs:</u> <ul style="list-style-type: none">• Rental Application Fees• Security Deposits• Last Month's Rent• Utility Deposits• Utility Payments• Moving Costs	<u>Eligible costs:</u> <ul style="list-style-type: none">• Housing Search and Placement• Housing Stability Case Management• Mediation• Legal Services• Credit Repair

Households receiving Homelessness Prevention assistance must have an income level below 30% Area Median Income (AMI) for the geographic area at entry and must meet the definition of “at risk of homelessness”. The household must demonstrate that they do not have sufficient resources or support networks to prevent them from losing their housing and moving to an emergency shelter or other place not meant for human habitation. Participants must be re-certified every 90 days. Linkages should also be made to applicable mainstream programs such as SOAR, TANF, etc. Homelessness Prevention funds may be used to provide housing relocation and stabilization services and short-to-medium-term rental assistance. Assistance must be necessary to help the program participant regain stability in their current permanent housing or obtain other permanent housing.

A. Housing Relocation and Stabilization Services




- Financial Assistance: rental application fees, security deposits, last month's rent, utility deposits, utility payments and moving costs.
- Services Costs: housing search and placement, housing stability case management, mediation, legal services, and credit repair.

B. Rent Assistance:

- Short Term (0-3 months)
- Medium Term (4-24 months)

C. Rental Arrears

* ESG funds may be used for a one-time payment for up to 6 months of rent in arrears, including any late fee on those arrears.

ELIGIBLE ACTIVITIES: RAPID RE-HOUSING AND HOMELESSNESS PREVENTION COMPONENTS		
Housing Relocation and Stabilization Services	Rental Assistance[°] 24 CFR §576.106 	<ul style="list-style-type: none"> • Short-term rental assistance (0-3 months) • Medium-term rental assistance (4-24 months) • Rental arrears (One-time payment for up to 6 months of rent in arrears) <p><i>Any combination of the above types, so long as the total amount of assistance does not exceed 24 months</i></p> <p>[°]Rental assistance can be project-based or tenant-based.</p>
	Financial Assistance 24 CFR §576.105 	<ul style="list-style-type: none"> • Rental Application Fees (when charged by owner to all applicants) • Security Deposits (no more than 2 month's rent) • Last Month's Rent (applies to 24-month cap) • Utility Deposits (when required by utility company for all customers) • Utility Payments (up to 24 months of payments per service, including up to 6 months of arrears per service) • Moving Costs (e.g., truck rental, moving company, up to 3 months of storage)
	Services 24 CFR §576.105 	<ul style="list-style-type: none"> • Housing Search and Placement • Housing Stability Case Management • Mediation • Legal Services • Credit Repair (e.g., budgeting/ money management)

SNAPS-Shots

May 22, 2013

ESG Requirements for Case Management to Help Ensure Housing Stability: Rapid Re-Housing and Homelessness Prevention Assistance

Assistance through the Emergency Solutions Grants (ESG) program is intended to be provided as a part of a system-wide approach. In order to evaluate and coordinate services to the greatest extent possible, ESG recipients and subrecipients providing ESG-funded rental assistance or housing and relocation services under the Rapid Re-Housing and/or Homelessness Prevention components must:

- Develop a plan with each program participant on how they will retain permanent housing after the ESG assistance ends (see 24 CFR 576.401(e)(1)(ii)).
- Require program participants to meet with a case manager not less than once per month while they are receiving ESG-assistance to implement the plan and monitor progress towards housing stability (see § 576.401(e)(1)(i)). *
- Assist program participants in obtaining appropriate supportive services, as well as connecting them to other federal, state, local, and private benefits and services for which they may be eligible. This includes, but is not limited to, Medicaid, SNAP, WIC, unemployment insurance, SSI/SSDI, services for veterans, and TANF (see § 576.401(d)).
- Have written policies and procedures for coordination among different providers of services in the community. Activities must be coordinated and integrated to the maximum extent practicable (see §

576.400(e)(3)(v)).

***Exception:** Recipients and subrecipients are exempt from the requirement to meet with program participants monthly if they also receive funding under the Violence Against Women Act of 1994 (VAWA) or the Family Violence Prevention and Services Act (FVSP) because these programs prohibit making housing conditional on the program participant's acceptance of services (see § 576.401(e)(2)).

The approach to case management described above is required when providing any amount of Rapid Re- Housing or Homelessness Prevention assistance, even when just a one-time payment of rent/utility arrears is being provided. In this instance, a single case management session may meet the program's requirements so long as the housing plan can be established and the referrals to mainstream resources can be completed during the initial intake meeting. The recipient or subrecipient may require the program participant to attend additional follow-up meetings as a condition of receiving assistance.

Providing ESG Case Management Services without Rental or Financial Assistance

Under the Rapid Re-Housing and Homelessness Prevention components, ESG funds can be used for case management services (or other services) alone. That is, although rental assistance cannot be provided independent of case management services, case management can be provided independent of rental assistance. For example, services (such as case management) could be provided after the term of a program participant's rental assistance expires, as long as the 24-month cap for each type of assistance is not exceeded.

ESG "stand alone" case management or other services can also be provided to support program participants who receive rental assistance through non-ESG programs, as long as the individual or family is eligible for ESG assistance at the time of the intake evaluation and any recertification(s) of eligibility.

Limitation on Housing Stability Case Management Under the Rapid Re-Housing Component

Often, households that are eligible for Rapid Re-Housing assistance reside in an emergency shelter or in a place not meant for human habitation while they wait for a unit to be identified. The following principles for charging the costs of housing stability case management under Rapid Re-Housing apply in these situations:

- Recipients/subrecipients may provide housing stability case management assistance under the Rapid Re-Housing component for up to 30 days during the period the program participant is residing on the street or in an emergency shelter and seeking permanent housing (see § 576.105(b)(2)).
- If the program participant needs more than 30 days of housing stability case management assistance while they are sleeping in an emergency shelter or on the street (or other place not meant for human habitation), it must be charged either to Emergency Shelter: essential services or Street Outreach: case management, as appropriate. The costs are then subject to the cap on these components.
- Once the program participant is in permanent housing, housing stability case management can be provided under the Rapid Re-Housing component for up to 24 additional months.

For more information, see the [ESG interim regulation](#) at §576.401(d) and §576.401(e).

****Please note: This SNAPs-Shot is provided as a resource to help recipients and subrecipients understand the ESG program rule. Always refer to the program regulations to ensure compliance with program requirements.****

E. HMIS

[24 CFR Part 576.107 HMIS](#)

HMIS Component. These activities are designed to fund ESG recipients' and subrecipients' participation in the HMIS collection and analyses of data on individuals and families who are homeless and at-risk of homelessness. § 576.107

Activity type: HMIS

Eligible costs:

- Contributing data to the HMIS designated by the CoC for the area;
- HMIS Lead (as designated by the CoC) costs for managing the HMIS system;
- Victim services or legal services provider costs to establish and operate a comparable database.

Homeless Management Information System (HMIS) means the information system designated by the Continuum of Care to comply with the HUD's data collection, management, and reporting standards and used to collect client-level data and data on the provision of housing and services to homeless individuals and families and people at risk of homelessness. ESG funded agencies must participate and utilize HMIS in accordance with 24 CFR 578.7(b).

Victim Service Providers (VSPs) receiving ESG funds are required by 24 CFR 576.400(f) and 580.32(d) to use a comparable database that meets all HUD standards for HMIS and provides for security, data quality, and privacy. For further operating standards, refer to the HMIS Policies & Procedures, HMIS Data Quality Standards, and HMIS Governance Charter located at <https://www.kshomeless.com/hmis1>.

The sub recipient may use ESG funds to pay the costs of contributing data to the HMIS designated by the Continuum of Care for the area, including the costs of:

- a) Purchasing or leasing computer hardware
- b) Purchasing software or software licenses
- c) Purchasing or leasing equipment, including telephones, fax machines, and furniture
- d) Obtaining technical support
- e) Leasing office space
- f) Paying charges for electricity, gas, water, phone service, and high-speed data transmission necessary to operate or contribute data to the HMIS
- g) Paying salaries for operating HMIS, including:
 - Completing data entry
 - Monitoring and reviewing data quality
 - Completing data analysis
 - Reporting to the HMIS Lead
 - Training staff on using the HMIS or comparable database; and
 - Implementing and complying with HMIS requirements

F. Administrative Activities

[24 CFR Part 576.108 Administrative activities](#)

*Administrative Activities. § 576.108
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Eligible costs are broadly categorized as follows:

- General management, oversight, and coordination
- Training on ESG requirements
- Consolidated Plan
- Environmental review

Up to 7.5 percent of a recipient's allocation can be used for administrative activities. These include general management, oversight, and coordination; reporting on the program; the costs of providing training on ESG requirements and attending HUD-sponsored ESG trainings; the costs of preparing and amending the ESG and homelessness-related sections of the Consolidated Plan, Annual Action Plan, and CAPER; and the costs of carrying out environmental review responsibilities.

G. ESG Eligibility By Component Chart

ELIGIBILITY BY COMPONENT (Emergency Solutions Grants Program)	Street Outreach	<p>Individuals defined as Homeless under the following categories are eligible for assistance in SO:</p> <ul style="list-style-type: none"> Category 1 – Literally Homeless Category 4 – Fleeing/Attempting to Flee DV (where the individual or family also meets the criteria for Category 1) <p>SO projects have the following additional limitations on eligibility within Category 1:</p> <ul style="list-style-type: none"> Individuals and families must be living on the streets (or other places not meant for human habitation) and be unwilling or unable to access services in emergency shelter
	Emergency Shelter	<p>Individuals and Families defined as Homeless under the following categories are eligible for assistance in ES projects:</p> <ul style="list-style-type: none"> Category 1 – Literally Homeless Category 2 – Imminent Risk of Homeless Category 4 – Fleeing/Attempting to Flee DV
	Rapid Re-housing	<p>Individuals defined as Homeless under the following categories are eligible for assistance in RRH projects:</p> <ul style="list-style-type: none"> Category 1 – Literally Homeless Category 4 – Fleeing/Attempting to Flee DV (where the individual or family also meets the criteria for Category 1)
	Homelessness Prevention	<p>Individuals and Families defined as Homeless under the following categories are eligible for assistance in HP projects:</p> <ul style="list-style-type: none"> Category 2 – Imminent Risk of Homeless Category 4 – Fleeing/Attempting to Flee DV <p>Individuals and Families who are defined as At Risk of Homelessness are eligible for assistance in HP projects.</p> <p>HP projects have the following additional limitations on eligibility with homeless and at risk of homeless:</p> <ul style="list-style-type: none"> Must only serve individuals and families that have an annual income <u>below</u> 30% of AMI

VI. DEFINITION OF HOMELESSNESS, AT RISK OF HOMELESSNESS

HUD defines homelessness into four categories. Category 3 (Homeless under Other Federal Statutes) is only allowable after a request from the local CoC to use it AND approval by HUD, therefore it is not listed below.

Category 1: Literally Homeless

Definition: Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning (i) has a primary nighttime residence that is a public or private place not meant for human habitation (ii) is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels/motels paid for by charitable organizations or by federal, state, or local government programs) OR (iii) is exiting an institution where they resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

- a. Qualifies for: Emergency Shelter, Rapid Re-Housing, Transitional Housing, Outreach, Supportive Services Programs

Category 2: Imminent Risk of Homelessness

Definition: Individual or family who will imminently lose their primary nighttime residence, provided that (i) residence will be lost within 14 days of the date of application for homeless assistance (ii) no subsequent residence has been identified AND the individual or family lacks the resources or support networks needed to obtain other permanent housing.

Must also exhibit one or more of the following risk factors:

- (a) Has moved frequently because of economic reasons “two or more times during the 60 days immediately preceding the application for assistance”.
- (b) Is living in the home of another because of economic hardship.
- (c) Has been notified in writing that their right to occupy their current housing or living situation will be terminated withing 21 days after the date of application.
- (d) Lives in a hotel or motel paid for by charitable organizations or the federal, state, or local government.
- (e) Lives in severely overcrowded housing (in a single-room occupancy or efficiency apartment unit in which more than two persons, on average, reside or another type of housing in which there reside more than 1.5 persons per room, as defined by the U.S. Census Bureau).
- (f) Is exiting a publicly funded institution or system of care (healthcare, mental health, foster care, or correction program).
- (g) Otherwise lives in housing that have characteristics associated with instability and an increased risk of homelessness (characteristics described in the funded jurisdictions Consolidated Plan).

Qualifies for: Emergency Shelter, Rapid Re-Housing, Transitional Housing, Homeless Prevention

Category 4: Fleeing/Attempting to Flee Domestic Violence

Definition: Individual or family who (i) is fleeing or is attempting to flee domestic violence (ii) has no other resident AND (iii) lacks the resources or support networks to obtain other permanent housing.

VII. DOCUMENTATION AND RECORD KEEPING REQUIREMENTS

A. Overview

All ESG applicants must participate in, and ESG funded agencies should document an initial consultation to assess needs and to determine program eligibility. The consultation should include verification of homeless status, Coordinated Entry System assessment, barriers to housing stability, data entry of required HMIS or comparable database universal data elements, and any other program specific information (such as income and documentation of insufficient support networks). ESG funded agencies must document homeless status for every program participant. ESG funded agencies must keep ESG records for 5 years after the expenditure of all funds from the grant. ESG subrecipients must establish and follow Written Standards to ensure program compliance. Written Standards must describe procedures for verifying homelessness status. Lack of third-party documentation cannot prevent a household from receiving emergency assistance including shelter and victim services. Participants may not receive assistance for the same eligible activity from multiple federal sources. If the participant is not eligible for ESG assistance, subrecipients are required to provide documentation regarding non eligibility and to identify other appropriate service referrals within the CoC that can meet the applicant's needs. No household can receive more than 24 months of ESG assistance in 3 years.

Evidence for establishing and verifying homeless status in preferred order of documentation is:

- (1.) Third-party documentation – source documents provided by an outside source.
- (2.) Staff/Intake worker observation – documented by ESG staff.
- (3.) Certification from the person seeking assistance – ESG staff must certify efforts made to obtain third party documentation before allowing applicant to self-certify.

B. Homeless Status Documentation and Record Keeping Requirements

1. Homeless Category 1 acceptable evidence includes:

- a. ESG Homeless Certification and ESG Self Certification forms
- b. HMIS Verification of Homelessness
- c. A written observation by an outreach worker of the conditions where the individual or family was living or a written referral by another housing or service provider.
- d. If exiting an institution where the client resided for 90 days or less, acceptable evidence listed above for Category 1 AND one of the following:

- i. Discharge paperwork or a written or oral referral from a social worker, case manager, or other appropriate official of the institution, stating the beginning and end dates of the time residing in the institution. All oral statements must be recorded by the intake worker; OR
 - ii. Where the evidence listed above is not obtainable, a written record of the intake worker's due diligence in attempting to obtain the evidence described in (a.) and a certification by the individual seeking assistance that states the client is exiting or has just exited an institution where they resided for 90 days or less. A written observation by an outreach worker of the conditions where the individual or family was living, a written referral by another housing or service provider.
- 2. **Homeless Category 2** evidence includes at least one of the following stating that the household must leave within 21 days:
 - A. A court order resulting from an eviction notice or equivalent notice, or a formal eviction notice
 - B. For applicants who primary nighttime residence is a hotel or motel room not paid for by charitable organizations or federal, state, or local government programs. Evidence that the individual or family lacks the resources necessary to reside there for more than 21 days after the date of application for homeless assistance OR
 - C. An oral or written statement by the individual or head of household that the owner or renter of the housing in which they currently reside will not allow them to stay for more than 21 days after the date of application for homeless assistance. The intake worker must record the statement and certify that it was found credible.
 - i. To be found credible, the oral statement must either:
 - Be verified by the owner or renter of the housing in which the individual or family resides at the time of application for homeless assistance AND
 - Be documented by a written certification by the owner, renter, or by the intake worker's recording of the owner or renter's oral statement.
 - ii. If the intake worker is unable to contact the owner or renter:
 - The intake worker must provide written documentation certifying that the client performed due diligence in attempting to obtain verification and written certification that the applicant's statement was true and complete.
 - Certification by the individual or head of household that no subsequent residence has been identified; AND
 - Certification or other written documentation that the individual or family lacks the resources and support networks needed to obtain other permanent housing.

3. **Homeless CATEGORY 4:** Acceptable evidence includes
- a. If the individual or family is receiving shelter or services provided by a victim service provider:
 - i. ESG Self Certification Form and
 - ii. A certification by the intake worker
 - b. If the individual is seeking services from non-victim service provider
 - i. The ESG Self Certification Form documenting that applicant is fleeing a domestic violence situation, has not identified a subsequent residence, and lacks the resources or support networks, e.g., family, friends, faith-based, or other social networks, needed to obtain housing where their safety would not be jeopardized AND
 - c. Written observation by the intake worker, a written referral by a housing or service provider, social worker, legal assistance provider, health-care provider, law enforcement agency, pastoral counselor, or any other organization from whom the individual or head of household has sought assistance for domestic violence

C. AT RISK OF HOMELESSNESS: Acceptable evidence includes:

1. **Annual Income:** When determining the **annual income** of an individual or family, the subrecipient or ESG funded agency must use the standard for calculating annual income under 24 CFR 5.609. Check guidance for further evidence requirements.
2. **Evidence for documenting**
at least one of the 7 risk factors or lacks evidence for the second eligibility criterion (“lacks sufficient resources...”)
 - i. Source documents – notice of termination from employment, unemployment compensation statement, bank statement, health-care bill showing arrears, utility bill showing arrears.
 - ii. To the extent that source documents are unobtainable, a written statement by the relevant third party – (e.g., former employer, public administrator, relative) or written certification by the intake staff of the oral verification by the relevant third party that the applicant meets one or both criteria of the definition of “at risk of homelessness” OR
 - iii. If source documents and third-party verification are unobtainable, a written statement by intake staff describing the efforts taken to obtain the required evidence

D. Income Eligibility

1. Calculating annual income

Subrecipients must use the standard for calculating annual income under 24 CFR 5.609. There are no income eligibility requirements for emergency shelter and street outreach. To qualify for rapid re-housing a household’s income must be below 30%

Area Median Income (AMI) at annual recertification and to qualify for homeless prevention a household's income must be below 30% AMI for the geographic area at the time of entering the program and at each 90-day recertification.

- i. Annual income means all amounts, monetary or not, which go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member OR are anticipated to be received from a source outside the family during the 12-month period following admission or annual recertification date. Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.
- ii. Annual income includes, but is not limited to, the full amount, before any payroll deductions, wages and salaries, overtime pay, commissions, fees, tips, and bonuses, and other compensation for personal services. Income includes the net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
- iii. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deduction in determining net income. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets of more than \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.
- iv. The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount.
- v. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay.

- vi. Welfare assistance payments. Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments, (i) qualify as assistance under the TANF program definition at 45 CFR 260.31 AND (ii) are not otherwise excluded.

2. Income Exclusions

- a. When determining income, the following income is excluded. Annual income does not include the following:
 - i. Income from employment of children (including foster children) under the age of 18.
 - ii. Payments received for the care of foster children or foster adults.
 - iii. Lump-sum additions to family assets, such as inheritance and insurance payments.
 - iv. Amounts received by the family that are specifically for, or in reimbursement of, the costs of medical expenses for any family member.
 - v. Income of a line-in aide.
 - vi. The full amount of student financial assistance paid directly to the student or to the educational institution.
 - vii. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
 - viii. Amounts received under training programs funded by HUD.
 - ix. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).
 - x. Amounts received by a participant in other publicly assisted programs, which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program.
 - xi. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. No resident may receive more than one such stipend during the same period.
 - xii. Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives and are excluded only for the period during which the family member participates in the employment training program.
 - xiii. Temporary, nonrecurring, or sporadic income (including gifts).

- xiv. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.
- xv. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse).
- xvi. Adoption assistance payments in excess of \$480 per adopted child.
- xvii. [Reserved]
- xviii. Deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts.
- xix. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
- xx. Amounts paid by a state agency to a family member who has a development disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.
- xxi. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that include assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary.

3. Re-Certification

Re-certification determines whether an individual or family is still eligible for a program and is required for homelessness prevention and rapid re-housing programs. Those served with homelessness prevention require the household to be under 30% AMI at intake and they must be recertified for program eligibility, homeless status, and lack of resources every 90 days. Those served with rapid re-housing do not require an initial income certification but do require proof of homeless status and lack of resources. For rapid re-housing, a client's income must be below 30% AMI at their annual recertification.

VIII. Rental Assistance Requirements

KHRC has not established a mandatory share of rent and utility costs that program participants must contribute while in rapid re-housing and prevention programs.

A. Rental Assistance Standards

Sub recipients must develop and utilize agency policies and procedures for providing rental assistance that meet the standards of 576.400:

1. Standards for determining what percentage or amount of rent and utilities costs each program participants must pay while receiving homelessness prevention or rapid re-housing assistance;
2. Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time; and
3. Standards for determining the type, amount, and duration of housing stabilizations and/or relocation services to provide to a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participant receive assistance; or the maximum number of times the program participant may receive assistance.

B. Rental Assistance Agreements

Short- and medium-term rental assistance programs require that a program participant and a landlord have a written lease for the provision of rental assistance. In addition, the interim rule also requires a rental assistance agreement between the sub recipient agency and the landlord. The sub recipient agency may make rental assistance payments only to a landlord with whom the Sub Recipients has entered into a rental assistance agreement. The rental assistance agreement must set forth the terms under which rental assistance will be provided, including the requirements that apply under this section. The rental assistance agreement must provide that, during the term of the agreement, the owner must give the Sub Recipients a copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant.

The rental assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease.

The rental assistance agreement with the owner must terminate and no further rental assistance payments under that agreement may be made if:

- a. The program participant moves out of the housing for which they have lease;
- b. The lease terminates and is not renewed; or
- c. The program participant becomes ineligible to receive ESG rental assistance.

C. Late Payments

The sub recipient must make timely payments to each owner in accordance with the rental assistance agreement. The sub recipient is solely responsible for paying late payment penalties that it incurs with non-ESG funds.

D. Lease Requirement

Each program participant receiving rental assistance must have a legally binding, written lease for the rental unit, unless the assistance is solely for rental arrears. The lease must be between the owner and the program participant. Where the assistance is solely for rental arrears, an oral agreement may be accepted in place of a written lease, if the agreement gives the program participant an enforceable leasehold interest under state law and the agreement and rent owed are sufficiently documented by the owner's financial records, rent ledgers, or canceled checks.

E. Rent Reasonableness and Fair Market Rent (FMR)

Rental assistance cannot be provided for a housing unit unless the unit complies with HUD's standards of rent reasonableness, as established under 24 CFR 982.507. The rent restrictions are intended to make sure that program participants can remain in their housing after ESG assistance ends. Rent reasonableness requirements DO NOT APPLY when a program participant receives only financial assistance or services under Housing Relocation and Stabilization Services. This includes rental application fees, security deposits, last month's rent, utility payments/deposits, moving costs, housing search and placement, housing stability case management, landlord-tenant mediation, legal services, and credit repair.

The rent charged for a unit must be reasonable in relation to rents currently being charged for comparable units in the private unassisted market and must not be in excess of rents currently being charged by the owner for comparable unassisted units.

1. Additional information about Rent reasonableness is described in the next section
2. Other local resources may be used to obtain information, e.g.: Landlord associations, Apartment guides, Craig's list, apartments.com, classified ads
3. Supporting documentation includes a copy of the signed and dated Rent Reasonableness chart.
4. The proposed unit must be compared to three (3) other units.

Rental assistance cannot be provided for a housing unit unless the total rent for the unit does not exceed Fair Market Rent (FMR) established by HUD, as provided under 24 CFR 982.503.

FMR's are gross rent estimates. The U.S. Department of Housing and Urban Development (HUD) annually estimates FMRs. HUD sets FMRs to assure that a sufficient supply of rental housing is available to program participants. By law, HUD is required to publish new FMRs at the start of the federal fiscal year, on October 1st and can be found online at: XXXXXXXXXX

When calculating whether or not the "contract rent" (amount payable to the landlord) is at or below the FMR, be sure to add the contract rent to the utility allowance provided by the appropriate local housing authority. The monthly utility allowance is calculated only for those utilities that the tenant pays for separately from the rent. The utility allowance does not include telephone, cable or satellite television service, and internet service. If all utilities are included in the rent, there is no utility allowance.

FMR – Utility costs included in rent per PHA schedule = Maximum contract allowed rent

ABOUT THIS RESOURCE

Providing rental assistance through the Emergency Solutions Grants (ESG) program requires understanding and adherence to **both** Fair Market Rents (FMRs) and rent reasonableness standards, to determine whether a specific unit can be assisted with short- or medium-term rental assistance. This resource provides an explanation of both concepts and describes how to determine and document compliance with each. In addition, it briefly describes some of the differences and similarities between rental assistance provided under the Homelessness Prevention and Rapid Re-Housing Program (HPRP) and ESG. ESG recipients and their subrecipients can use this resource to develop policies, procedures, and documentation requirements to comply with HUD rules.

OVERVIEW

The ESG program Interim Rule allows short- and medium-term rental assistance to be provided to eligible program participants only when the rent, including utilities (gross rent¹), for the housing unit:

1. Does not exceed the Fair Market Rent (FMR) established by HUD for each geographic area, as provided under 24 CFR 888 and 24 CFR 982.503; **and**
2. Complies with HUD's standard of rent reasonableness, as established under 24 CFR 982.507.²

This requirement is in the ESG program Interim Rule at 24 CFR 576.106(d).

HPRP & ESG: Key Difference

HPRP: Rent must meet rent reasonableness standards.

ESG: Rent must meet rent reasonableness standards **and** cannot exceed HUD's published FMRs for the area.

In some communities, the reasonable rent for a specific unit may be lower than the FMR that has been established for the community.

Bottom line: The rent for the unit assisted with ESG funds must not exceed the **lesser** of the FMR or the rent reasonableness standard.

¹ Gross rent is the sum of the rent paid to the owner plus, if the tenant pays separately for utilities, the monthly allowance for utilities established by the public housing authority for the area in which the housing is located. For purposes of calculating the FMR, utilities include electricity, gas, water and sewer, and trash removal services but not cable or satellite television service, or internet service. If the owner pays for all utilities, then gross rent equals the rent paid to the owner.

² The rent must be reasonable when compared to other units of similar location, type, size, and amenities within the community.

DETERMINING IF RENT IS ACCEPTABLE FOR ESG RENTAL ASSISTANCE

Whether a household is seeking to maintain its current housing or relocate to another unit to avoid homelessness (Homelessness Prevention), or exiting homelessness into new housing (Rapid Re-Housing), the process for determining acceptable rent amounts is the same:

- The recipient or subrecipient first compares the gross rent (see box below) for the current or new unit with current FMR limits, which are updated annually.
- If the unit's gross rent is at or below FMR, the recipient/subrecipient next uses current data to determine rent reasonableness (more information is provided below on how to determine and document this).

If the gross rent is at or below both the FMR **and** the rent reasonableness standard for a unit of comparable size, type, location, amenities, etc., ESG funds may be used to pay the rent amount for the unit.

If the gross rent for the unit exceeds either the rent reasonableness standard or FMR, ESG recipients are prohibited from using ESG funds for **any** portion of the rent, even if the household is willing and/or able to pay the difference. However, because the FMR and rent reasonableness requirements apply only to rental assistance, ESG funds may be used:

1. to pay for financial assistance and services to help the eligible program participant stay in the unit, or
2. to pay for financial assistance and services to locate and move to a different unit that meets the rent reasonableness standard and is at or below FMR and pay rental assistance in that unit.

Rent reasonableness and FMR requirements **do not apply** when a program participant receives only financial assistance or services under Housing Stabilization and Relocation Services. This includes rental application fees, security deposits, an initial payment of "last month's rent," utility payments/deposits, and/or moving costs, housing search and placement, housing stability case management, landlord-tenant mediation, legal services, and credit repair. (**Note:** "Last month's rent" may not exceed the rent charged for any other month; security deposits may not exceed 2 months' rent.)

Calculating the GROSS RENT AMOUNT

To calculate the gross rent of a unit that is being tested by the FMR standard: Total contract rent amount of the unit

+

Any fees required for occupancy under the lease (excluding late fees and pet fees)

+

Monthly utility allowance* (excluding telephone) established by local PHA

=

Gross Rent Amount

***Note:** The monthly utility allowance is added only for those utilities that the tenant pays for separately (for more information on utility allowances established by the local public housing agency (PHA), see 24 CFR § 982.517). The utility allowance does not include telephone, cable or satellite television service, and internet service. If all utilities are included in the rent, there is no utility allowance.

F. Lead Based Paint Disclosure

Childhood lead poisoning is a major environmental health problem in the United States, especially for low-income families in poor living conditions. If not detected early, children with high levels of lead in their bodies can suffer from damage to the brain and nervous system, behavioral and learning problems, slowed growth, hearing problems, and headaches.

Subrecipients that receive funds for emergency shelter, homeless prevention and rapid-rehousing MUST comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations in 24 CFR part 35, subparts A, B, H, J, K, M and R. Most emergency shelters are exempt, because they fall under the definition of zero-bedroom dwellings, which are exempt under the Title X statute. If the shelter does not qualify for the zero-bedroom exemption, it is covered by the regulation.

A zero-bedroom dwelling is defined in section 35.110 as “any residential dwelling in which the living areas are not separated from the sleeping area. The term includes efficiencies, studio apartments, dormitory or single room occupancy, military barracks, and rental of individual rooms in residential dwellings.” The term “single room occupancy housing” is defined as “housing consisting of zero-bedroom dwelling units that may contain food preparation or sanitary facilities or both.” Group homes are exempt if they consist of “rental of individual rooms in residential dwellings.”

For homeless prevention and rapid re-housing, a lead-based paint visual assessment must be completed for all units that meet the three following conditions:

1. The household living in the unit is being assisted with ESG financial assistance (rent assistance, utility assistance, utility/security deposits, or arrears).
2. The unit was constructed prior to 1978.
3. A child under the age of six, or a woman who could become pregnant is or may be living in the unit.

Use with Other Subsidies

ESG financial assistance for rents and utilities cannot be provided to a program participant who is receiving the same type of assistance through other public sources or to a program participant who has been provided with replacement housing payments under the URA, during the period of time covered by Uniform Relocation Act (URA) payments.

Except for a one-time payment of rental arrears on the tenant’s portion of the rental payment, rental assistance cannot be provided to a program participant who is receiving tenant-based rental assistance or living in a housing unit receiving project-based rental assistance or operating assistance, through other public sources. Rental assistance may not be provided to a program participant who has been provided with replacement housing payments under the URA during the period of time covered by the URA payments.

IX. Habitability Standards

The ESG Program requires subrecipients to follow habitability standards for emergency shelter operations programs and for homelessness prevention and rapid re-housing programs assisting participants to obtain or remain in permanent housing.

The ESG Program Interim Rule establishes different habitability standards for emergency shelters and for permanent housing (RRH and HP components).

- **Emergency Shelter Standards**
 - Emergency Shelters that receive ESG Emergency Shelter funds must meet the minimum standards for safety, sanitation, and privacy provided in §576.403(b)
 - In addition, emergency shelters that receive ESG funds for renovation (conversion, major rehabilitation, or other renovation) also must meet state or local government safety and sanitation standards, as applicable
- **Permanent Housing Standards.** The recipient or subrecipient cannot use ESG funds to help a program participant remain in or move into housing that does not meet the minimum habitability standards under §576.403(c). This restriction applies to all activities under the HP and RRH components.

Subrecipients and ESG funded agencies must document compliance with the applicable standards. Note that these checklists do not cover the requirements to comply with the Lead-Based Paint requirements at §576.403(a).

A. Emergency Shelter Standards

Any Emergency Shelter that receives ESG assistance must meet the following minimum safety, sanitation, and privacy standards:

a. Structure and materials

The shelter building must be structurally sound to protect residents from the elements and not pose any threat to health and safety of the residents.

b. Access

The shelter must be accessible in accordance with Section 504 of the Rehabilitation Act (29 U.S.C. 794) and implementing regulations at 24 CFR part 8; the Fair Housing Act (42 U.S.C. 3601 et seq.) and implementing regulations at 24 CFR part 100; and Title II of the Americans with Disabilities Act (42 U.S.C. 12131 et seq.) and 28 CFR part 35; where applicable.

c. Space and security

Except where the shelter is intended for day use only, the shelter must provide each program participant in the shelter with an acceptable place to sleep and adequate space and security for themselves and their belongings.

d. Interior air quality

Each room or space within the shelter must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.

e. Water supply

The shelter's water supply must be free of contamination.

f. Sanitary facilities

Each program participant in the shelter must have access to sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.

g. Thermal environment

The shelter must have any necessary heating/ cooling facilities in proper operating condition.

h. Illumination and electricity

The shelter must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the shelter.

i. Food preparation

Food preparation areas, if any, must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.

j. Sanitary conditions

The shelter must be maintained in a sanitary condition.

k. Fire safety

There must be at least one working smoke detector in each occupied unit of the shelter. Where possible, smoke detectors must be located near sleeping areas. The fire alarm system must be designed for hearing- impaired residents. All public areas of the shelter must have at least one working smoke detector. There must also be a second means of exiting the building in the event of fire or another emergency.

B. Minimum Standards for Permanent Housing

The recipient or subrecipient cannot use ESG funds to help a program participant remain in or move into housing that does not meet the minimum habitability standards under §576.403(c) (also listed in Appendix A).

This restriction applies to all activities under the Homelessness Prevention and Rapid Re-housing components, including rental assistance and housing relocation and stabilization services. In addition:

1. If an eligible household needs homelessness prevention assistance to remain in its existing unit, the assistance can only be provided if that unit meets the minimum standards.
2. If an eligible household needs homelessness prevention or rapid re-housing assistance to move to a new unit, the assistance can only be provided if the new unit meets the minimum standards. The unit the household is leaving does not need to be inspected.
3. The housing must also comply with any other standards established by the recipient that exceed or add to these minimum standards.

Note: The same standards apply regardless of the amount of ESG funds involved. For example, the recipient or subrecipient must inspect the unit and confirm that it meets the ESG minimum habitability standards, even if the only ESG assistance being provided is for a security deposit or moving assistance.

The recipient or subrecipient must be sure to document compliance with the ESG habitability standards for Emergency Shelter activities in the program participant's file.

Homelessness Prevention

When ESG Rental Assistance and/or Housing Relocation and Stabilization Services are provided under the Homelessness Prevention component to help a program participant **remain in or move into** permanent housing, the ESG minimum habitability standards apply to either the current unit (if the program participant is staying in place) or to a new unit (if the program participant is moving). Even if only a minimal amount of Housing Relocation and Stabilization Services assistance—such as utility arrears/payments (Financial Assistance) or housing stability case management (Services)—is provided under the Homelessness Prevention component to assist a program participant to stay in their unit, the habitability standards apply to the unit and must be documented in the program participant's file.

Rapid Re-housing

When ESG Rental Assistance and/or Housing Relocation and Stabilization Services are provided under the Rapid Re-housing component to help a program participant move into a new permanent housing unit, the habitability standards apply to the unit into which they are moving and must be documented in the program participant's file. If Rapid Re-housing services are being provided before a unit has been identified, no habitability inspection is required until there is a unit to inspect. If assistance with arrears for a prior unit is needed as part of the rapid rehousing assistance, no habitability inspection is required for the old unit on which the arrears are owed, so long as the program participant will be rapidly rehoused in a different unit.

X. CASE MANAGEMENT

Mainstream Benefits

All ESG subrecipients agencies are expected to provide case management to all ESG program participants, including connecting program participants to mainstream and other resources.

Sub recipients must assist each program participant, as needed, to obtain:

1. Appropriate supportive services, including assistance in obtaining permanent housing, medical health treatment, mental health treatment, counseling, supervision, and other essential services for achieving independent living; and
2. Other Federal, State, local, and private assistance available to assist the program participant in obtaining housing stability, including:
 - a) Medicaid (42 CFR Chapter IV, subchapter C)
 - b) Supplemental Nutrition Assistance Program (7 CFR parts 271-283)
 - c) Women, Infants and Children (WIC) (7 CFR part 246)
 - d) Federal-State Unemployment Insurance Program (20 CFR parts 601-603, 606, 609, 614-617, 625, 640, 650)
 - e) Social Security Disability Insurance (SSDI) (20 CFR part 404)
 - f) Supplemental Security Income (SSI) (20 CFR part 416)
 - g) Child and Adult Care Food Program (42 U.S.C. 1766(t) (7 CFR part 226))
 - h) Other assistance available under the programs listed in XXXXXX(c)
 - i)

Prevention and Rapid Re-Housing Case Management

Housing stability case management is required of Sub Recipients or ESG Funded Agencies providing homelessness prevention or rapid re-housing assistance. These case managers must:

- a) Require the program participant to meet with a case manager not less than once per month to assist the program participant in ensuring long-term housing stability; and
- b) Develop a plan to assist the program participant to retain permanent housing after the ESG assistance ends, taking into account all relevant considerations, such as the program participant's current or expected income and expenses; other public or private assistance for which the program participant will be eligible and likely to receive; and the relative affordability of available housing in the area.

XI. REQUIRED WRITTEN STANDARDS POLICIES AND PROCEDURES

[24 CFR Part 576.400\(e\)\(3\) Written Standards](#)

At a minimum, these written standards must include:

A. Required for ALL PROGRAMS:

1. Standard policies and procedures for evaluating eligibility.
2. Policies and procedures for coordination among emergency shelter providers, essential service providers, homelessness prevention, and rapid rehousing assistance providers; other homeless assistance providers; and mainstream service and housing providers (see §576.400(b) and (c) for a list of programs with which ESG-funded activities must be coordinated and integrated to the maximum extent practicable);
3. Participation in HMIS or a comparable database. The subrecipients must ensure that data on all persons served and activities assisted under ESG are entered into the HMIS. If the subrecipient or ESG funded agency is a victim service provider, a comparable database must be used to collect client-level data over time and generate unduplicated aggregate reports based on the data.

B. Minimum Standards for STREET OUTREACH:

1. Standards for targeting and providing essential services related to street outreach.

C. Minimum Standards for EMERGENCY SHELTER:

1. Policies and procedures for admission, diversion, referral, and discharge by emergency shelters, including standards regarding length of stay, if any, and safeguards to meet the safety and shelter needs of special populations, [e.g., victims of domestic violence, dating violence, sexual assault, and stalking; and individuals and families who have the highest barriers to housing and are likely to be homeless the longest].
2. Policies and procedures for assessing, prioritizing, and reassessing needs for essential services related to emergency shelter.

D. Minimum Standards for HOMELESS PREVENTION (HP) and RAPID RE-HOUSING (RRH):

1. Policies and procedures for determining and prioritizing homelessness prevention and rapid re-housing assistance (these policies must include the Emergency Transfer Plan priority required under 24 CFR 576.409)
2. Standards for determining what percentage or amount of rent and utilities costs, if any, each program participant must pay while receiving HP or RRH assistance
3. Standards for determining how long a particular program participant will be provided with rental assistance and whether or how the amount of that assistance will be adjusted over time
4. Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide, including the limits, if any, on the HP or RRH assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months in the program; or the maximum number of times the program participant may receive assistance

XII. ESG Policies and Procedures Requirements

The ESG subrecipients and/or ESG funded agencies must develop policies and procedures that include the following ESG required policies:

The subrecipient must ensure the requirements [24 CFR 576](#) and applicable policies listed in [2 CFR part 200](#) are met. If the subrecipient subawards the funds to an ESG funded agency, the subrecipient must either develop policies that align with the required ESG regulations or require their ESG funded agencies to develop their own policies. If the ESG funded agencies are required to develop their own policies, then it is the responsibility of the subrecipient to provide a framework of what is required to ensure the ESG funded agencies are following the Kansas ESG Manual and the applicable ESG regulations. The subrecipient will be required to submit their ESG policies and procedures, including the required policies listed below, when applying for ESG funds.

A. Financial Records

ESG Subrecipient agencies and ESG funded agencies must retain supporting documentation for all costs charged to the ESG grant. The document must demonstrate the ESG grant funds were spent on allow costs in accordance with 24 CFR 576.101 through 24 CFR 576.09, financial management in 2 CFR 200.302, and the cost principles in 2 CFR 200, subpart E. ([24 CFR 576.500\(u\)](#))

In addition, sufficient records must be established and maintained to enable the recipient and HUD to determine whether ESG requirements are being met. As the recipient agency, Kansas Housing Resources Corporation will review the subrecipient records during monitoring visits to determine whether the subrecipient or the subrecipient's ESG funded agencies have followed their policies and procedures and have adhered to the requirements listed in 24 CFR 576.

The financial management system of each subrecipient must provide for the following (see also §§200.333 Retention requirements for records, 200.334 Requests for transfer of records, 200.335 Methods for collection, transmission, and storage of information, 200.336 Access to records, and 200.337 Restrictions on public access to records)

B. Internal Controls

Subrecipients must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework," issued by the Committee of sponsoring Organizations of the Treadway Commission (COSO).

Subrecipients are required to comply with all ESG requirements as required in – 24 CFR 576, including; the provision of case management, helping program participants increase income, either via employment assistance or through the acquisition of mainstream benefits, and helping program participants move into and stay in permanent housing.

C. Conflict of Interest

[24 CFR Part 576.404 Conflicts of interest](#)

Organizational conflicts of interest. The provision of any type or amount of ESG assistance may not be conditioned on an individual's or family's acceptance or occupancy of emergency shelter or housing owned by the recipient, the subrecipient, or a parent or subsidiary of the subrecipient. No subrecipient may, with respect to individuals or families occupying housing owned by the subrecipient, or any parent or subsidiary of the subrecipient, carry out the initial evaluation required under §576.401 or administer homelessness prevention assistance under §576.103. Recipients and subrecipients must also maintain written standards of conduct covering organizational conflicts of interest required under 2 CFR 200.318.

Individual conflicts of interest. For the procurement of goods and services, the recipient and its subrecipients must comply with 2 CFR 200.317 and 200.318. For all other transactions and activities, the following restrictions apply:

Conflicts prohibited. No person described in paragraph (b)(2) of this section who exercises or has exercised any functions or responsibilities with respect to activities assisted under the ESG program, or who is in a position to participate in a decision-making process or gain inside information with regard to activities assisted under the program, may obtain a financial interest or benefit from an assisted activity; have a financial interest in any contract, subcontract, or agreement with respect to an assisted activity; or have a financial interest in the proceeds derived from an assisted activity, either for him or herself or for those with whom he or she has family or business ties, during his or her tenure or during the one-year period following his or her tenure.

Persons covered. The conflict-of- interest provisions of paragraph (b)(1) of this section apply to any person who is an employee, agent, consultant, officer, or elected or appointed official of the recipient or its subrecipients.

Exceptions. Upon the written request of the recipient, HUD may grant an exception to the provisions of this subsection on a case-by-case basis, taking into account the cumulative effects of the criteria in paragraph (b)(3)(ii) of this

section, provided that the recipient has satisfactorily met the threshold requirements of paragraph (b)(3)(i) of this section.

Threshold requirements. HUD will consider an exception only after the recipient has provided the following documentation:

If the recipient or subrecipient is a government, disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
An opinion of the recipient's attorney that the interest for which the exception is sought would not violate state or local law.

Factors to be considered for exceptions. In determining whether to grant a requested exception after the recipient has satisfactorily met the threshold requirements under paragraph (b)(3)(i) of this section, HUD must conclude that the exception will serve to further the purposes of the ESG program and the effective and efficient administration of the recipient's or subrecipient's program or project, taking into account the cumulative effect of the following factors, as applicable:

- Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available.
- Whether an opportunity was provided for open competitive bidding or negotiation.
- Whether the affected person has withdrawn from his or her functions, responsibilities, or the decision-making process with respect to the specific activity in question.
- Whether the interest or benefit was present before the affected person was in the position described in paragraph (b)(1) of this section.
- Whether undue hardship results to the recipient, the subrecipient, or the person affected, when weighed against the public interest served by avoiding the prohibited conflict.
- and any other relevant considerations.

Contractors. All contractors of the recipient or subrecipient must comply with the same requirements that apply to subrecipients under this section.

D. Homeless participation (24 CFR 576.405)

To the maximum extent practicable, the subrecipient must involve homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under ESG, and in providing services for occupants of facilities assisted under ESG. This involvement may include employment or volunteer services.

E. Confidentiality

[24 CFR Part 576.500\(x\) Confidentiality](#)

Subrecipients must develop and implement written procedures to ensure:

- (i) All records containing personally identifying information (as defined in HUD's standards for participation, data collection, and reporting in a local HMIS) of any individual or family who applies for and/or receives ESG assistance will be kept secure and confidential.
 - (ii) The address or location of any domestic violence, dating violence, sexual assault, or stalking shelter project assisted under the ESG will not be made public, except with written authorization of the person responsible for the operation of the shelter; and
 - (iii) The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the recipient or subrecipient and consistent with state and local laws regarding privacy and obligations of confidentiality.
- (2) The confidentiality procedures of the recipient and its subrecipients must be in writing and must be maintained in accordance with this section.

F. Record Retention

[24 CFR Part 576.500\(y\) Record Retention](#)

All records pertaining to each fiscal year of ESG funds must be retained for the greater of 5 years or the period specified below. Copies made by microfilming, photocopying, or similar methods may be substituted for the original records.

- (1) Documentation of each program participant's qualification as a family or individual at risk of homelessness or as a homeless family or individual and other program participant records must be retained for 5 years after the expenditure of all funds from the grant under which the program participant was served;
- (2) Where ESG funds are used for the renovation of an emergency shelter involves costs charged to the ESG grant that exceed 75 percent of the value of the building before renovation, records must be retained until 10 years after the date that ESG funds are first obligated for the renovation; and
- (3) Where ESG funds are used to convert a building into an emergency shelter and the costs charged to the ESG grant for the conversion exceed 75 percent of the value of the building after conversion, records must be retained until 10 years after the date that ESG funds are first obligated for the conversion

G. Duplication of benefits (CPD-21-08 Section III, F.10)

Prohibition Against Duplication of Benefits. Section 312 (42 U.S.C. 5155) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (42 U.S.C. 5121 et seq.) prohibits duplication of benefits for programs that provide financial assistance to people or entities suffering losses because of a major disaster or emergency. "Duplication of benefits" occurs when Federal financial assistance is provided to a person or entity through a program to

address losses resulting from a Federally declared emergency or disaster, and the person or entity has received (or would receive, by acting reasonably to obtain available assistance) financial assistance for the same costs from any other source (including insurance), and the total amount received exceeds the total need for those costs. Recipients must establish and maintain adequate procedures to prevent any duplication of benefits with ESG-CV funds.

H. Equal Access (24 CFR 5.106)

Equal access in accordance with the individual's gender identity in community planning and development programs.

(a) Applicability. This section applies to assistance provided under Community Planning and Development (CPD) programs, including assistance under the following CPD programs: HOME Investment Partnerships program (24 CFR part 92), Housing Trust Fund program (24 CFR part 93), Community Development Block Grant program (24 CFR part 570), Housing Opportunities for Persons With AIDS program (24 CFR part 574), Emergency Solutions Grants program (24 CFR part 576), Continuum of Care program (24 CFR part 578), or Rural Housing Stability Assistance Program (24 CFR part 579). The requirements of this section apply to recipients and subrecipients, as well as to owners, operators, and managers of shelters and other buildings and facilities and providers of services funded in whole or in part by any CPD program.

(b) Equal access in accordance with gender identity. The admissions, occupancy, and operating policies and procedures of recipients, subrecipients, owners, operators, managers, and providers identified in paragraph (a) of this section, including policies and procedures to protect privacy, health, safety, and security, shall be established or amended, as necessary, and administered in a nondiscriminatory manner to ensure that:

(1) Equal access to CPD programs, shelters, other buildings and facilities, benefits, services, and accommodations is provided to an individual in accordance with the individual's gender identity, and in a manner that affords equal access to the individual's family;

(2) An individual is placed, served, and accommodated in accordance with the gender identity of the individual;

(3) An individual is not subjected to intrusive questioning or asked to provide anatomical information or documentary, physical, or medical evidence of the individual's gender identity; and

(4) Eligibility determinations are made, and assisted housing is made available in CPD programs as required by § 5.105(a)(2).

(c) Placement and accommodation in temporary, emergency shelters and other buildings and facilities with shared sleeping quarters or shared bathing facilities -

(1) Placement and accommodation. Placement and accommodation of an individual in temporary, emergency shelters and other buildings and facilities with physical limitations or configurations that require and are permitted to have shared sleeping

quarters or shared bathing facilities shall be made in accordance with the individual's gender identity.

(2) Post-admission accommodations. A recipient, subrecipient, owner, operator, manager, or provider must take nondiscriminatory steps that may be necessary and appropriate to address privacy concerns raised by residents or occupants and, as needed, update its admissions, occupancy, and operating policies and procedures in accordance with paragraph (b) of this section.

(d) Documentation and record retention. Providers shall document and maintain records of compliance with the requirements in paragraph (b) of this section for a period of 5 years.

I. VAWA Emergency Transfer Plan (24 CFR 576.409 (d))

All agencies providing ESG rent assistance must develop an Emergency Transfer Plan as described in 24 CFR 576.409 (d) and must establish this in accordance with 24 CFR 5.2005€

The Emergency Transfer Plan must include the following program requirements:

1. For families living in units receiving project-based rental assistance (assisted units), the required policies must provide that if a program participant qualifies for an emergency transfer, but a safe unit is not immediately available for an internal emergency transfer, that program
2. For families receiving tenant-based rental assistance, the required policies must specify what will happen with respect to the non-transferring family member(s), if the family separates in order to affect an emergency transfer.

J. Affirmative outreach (24 CFR 576.407(b)).

The recipient or subrecipient must make known that use of the facilities, assistance, and services are available to all on a nondiscriminatory basis. If it is unlikely that the procedures that the recipient or subrecipient intends to use to make known the availability of the facilities, assistance, and services will reach persons of any race, color, religion, sex, age, national origin, familial status, or disability who may qualify for those facilities and services, the recipient or subrecipient must establish additional procedures that ensure that those persons are made aware of the facilities, assistance, and services. The recipient and its subrecipients must take appropriate steps to ensure effective communication with persons with disabilities including, but not limited to, adopting procedures that will make available to interested persons information concerning the location of assistance, services, and facilities that are accessible to persons with disabilities. Consistent with Title VI and Executive Order 13166, recipients and subrecipients are also required to take reasonable steps to ensure meaningful access to programs and activities for limited English proficiency (LEP) persons.

K. Equal participation of faith-based organizations (24 CFR 576.406)

Equal participation of faith-based organizations in HUD programs and activities.

Faith-based organizations are eligible, on the same basis as any other organization, to participate in HUD programs and activities. Neither the Federal Government, nor a State, tribal or local government, nor any other entity that administers any HUD program or activity, shall discriminate against an organization on the basis of the organization's religious character or affiliation, or lack thereof. In addition, decisions about awards of Federal financial assistance must be free from political interference or even the appearance of such interference and must be made on the basis of merit, not based on the religious character or affiliation, or lack thereof, of an organization.

Separation of explicitly religious activities from direct Federal financial assistance.

A faith-based organization that applies for, or participates in, a HUD program or activity supported with Federal financial assistance retains its independence and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct Federal financial assistance that it receives (*e.g.*, via contract, grant, sub-grant, sub-award or cooperative agreement) to support or engage in any explicitly religious activities (including activities that involve overt religious content such as worship, religious instruction, or proselytization), or in any other manner prohibited by law. A faith-based organization that receives direct Federal financial assistance may use space (including a sanctuary, chapel, prayer hall, or other space) in its facilities (including a temple, synagogue, church, mosque, or other place of worship) to carry out activities under a HUD program without removing religious art, icons, scriptures, or other religious symbols. In addition, a faith-based organization participating in a HUD program or activity retains its authority over its internal governance, and may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

Explicitly religious activities. If an organization engages in explicitly religious activities (including activities that involve overt religious content such as worship, religious instruction, or proselytization), the explicitly religious activities must be offered separately, in time or location, from the programs or activities supported by direct Federal financial assistance and participation must be voluntary for the beneficiaries of the programs or activities that receive direct Federal financial assistance.

Intermediary responsibilities to ensure equal participation of faith-based organizations in HUD programs. If an intermediary—acting under a contract, grant, or other agreement with the Federal Government or with a State, tribal or local government that is administering a program supported by Federal financial

assistance—is given the authority to select a nongovernmental organization to receive Federal financial assistance under a contract, grant, sub-grant, sub-award, or cooperative agreement, the intermediary must ensure that such organization complies with the requirements of this section. If the intermediary is a non-governmental organization, it retains all other rights of a nongovernmental organization under the program's statutory and regulatory provisions.

Beneficiary protections. Faith-based organizations that carry out programs or activities with direct Federal financial assistance from HUD must give written notice to beneficiaries and prospective beneficiaries of the programs or activities describing certain protections available to them, as provided in this subsection. In addition, if a beneficiary or prospective beneficiary object to the religious character of the organization carrying out the programs or activities, that organization must promptly undertake reasonable efforts to identify and refer the beneficiary or prospective beneficiary to an alternative provider to which the beneficiary or prospective beneficiary has no such objection.

XIII. TERMINATION AND APPEALS

24 CFR Part 576.402 Terminating assistance

As part of each program's policies and procedures, sub recipients must develop policies regarding termination of assistance to participants, appeals, and confidentiality procedures.

A. Terminating Assistance

As part of each program's policies and procedures, subrecipients/ESG funded agencies must develop policies regarding termination of assistance to participants, complaints, appeals, and confidentiality procedures. If a program participant violates program requirements, the subrecipient/ESG funded agencies may terminate the assistance in accordance with a formal process established by the subrecipient that recognizes the rights of the individuals affected. The subrecipient must exercise judgement and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases. To terminate rental assistance or housing relocation and stabilization services to a program participant, the required formal process, at a minimum, must consist of:

- a) Written notices to the program participant containing a clear statement of the reasons for termination
- b) A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and
- c) Prompt written notice of the final decision to the program participant.
 - a. Termination does not bar the subrecipient from providing further assistance at a later date to the same family or individual. If a program participant violates program requirements, the subrecipient may terminate the assistance in accordance with a formal process established by the subrecipient, and approved by the recipient, that recognizes the rights of individuals affected. The sub recipient must exercise judgement and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases.

Homeless Prevention and Rapid Re-Housing Terminations

To terminate rental assistance or housing relocation and stabilization services to a program participant, the required formal process, at a minimum, must consist of:

- a) Written notice to the program participant containing a clear statement of the reasons for termination
- b) A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and
- c) Prompt written notice of the final decision to the program participant.
 - a. Termination does not bar the subrecipient from providing further assistance at a later date to the same family or individual.

B. KHRC ESG Appeal Process

ESG funded agencies have the responsibility to resolve all client complaints. ESG funded agencies shall establish in writing a clear, objective, and prompt appeal policy.

ESG funded agencies must assure each client or applicant is aware of their rights to file an appeal and the associated time restrictions. To certify that a client or applicant understands their rights, this information will be provided on the application and on program rules and requirements. ESG funded agencies will also be responsive to requests for information regarding their appeals process. The client or applicant may withdraw a request for appeal if the agency review results in a negotiated settlement.

An appeal or grievance must be filed in writing for a subrecipient to take action, except when a client complaint can be resolved quickly. Prompt action and negotiations by the agency does not preclude the right to appeal. ESG funded agencies must document each step of the appeals process, including all communication with the client. The subrecipient is encouraged to include a review of the decision by the ESG funded agency. If the appellant is dissatisfied with the decision of the subrecipient a request for appeal to KHRC must be submitted in writing to the ESG program manager within 10 days of notice of action. Upon receipt of the request for appeal, the ESG program manager will copy the request for the agency whose decision has been appealed. The subrecipient will be requested to supply any documents relevant to the decision within seven days of the receipt of the appeals to KHRC. The ESG program manager will review the request for appeal and any supporting documents and will respond in writing to the applicant or client within thirty days of receipt of the appeal. If the appellant is dissatisfied with the decision of the ESG program manager, they may appeal to the Director of Housing with Supporting Services (HWSS) of KHRC within 10 days and may include additional documentation appropriate for review. The HWSS Director will respond in writing to the appellant within thirty days of receipt of the appeal. If the appellant is dissatisfied with the decision of the HWSS Director, they may appeal to the Executive Director of the Kansas Housing Resources Corporation, within ten days of receipt of the decision of the Executive Director and may include additional documentation appropriate for review. The Executive Director of KHRC will respond in writing to the appellant within thirty days of receipt of the appeal. The decision of the Executive Director of KHRC is the final administrative remedy in the appeal process. If the appellant is dissatisfied with the final decision, they may seek remedy through the court system.

XIV. Reimbursement of ESG funds:

A. Financial Status Report – Request for reimbursement

All requests for reimbursement must be made using the ESG RECIPIENT REQUEST FOR REIMBURSEMENT AND FINANCIAL STATUS REPORT commonly referred to as the FSR.

All requests for reimbursement must be accompanied with a cover letter from the requesting subrecipient and must contain the following information:

1. The grant number of the funds being requested
2. The date of the request
3. The amount being requested
4. Name of the person who is making the request.
5. The signature of the person making the request. (The person making the request must be allowed to provide authorizing signatures on key documents such as payment requests, budget revisions, etc.)
6. On the subrecipient agency letterhead.

All requests for reimbursement received by the 20th of the month will be processed in the receiving month. Payments will generally be remitted by the end of the month. Requests for reimbursement received after the 20th may be processed the next month.

All requests for reimbursement must be submitted electronically either by email or fax.

Requests for reimbursement must be emailed to ESG@kshousingcorp.org or faxed to 785-256-9483.

B. SUBMITTING FSR

"The ESG financial reporting forms serve two purposes. First, they serve as the reimbursement request (invoice) necessary to generate your payments. Second, they serve as fiscal monitoring tools for determining whether:

- funds are obligated within federal statutory time frames.
- matching fund requirements are met.
- project outlays and obligations are within approved budgets."

These forms are to be used to report the project cash outlays paid and obligations incurred.

If you are subgranting these funds to other entities, you will be required to have your sub awardees report to you their cash outlays paid and obligations incurred and have these reports available to the ESG program manager upon request. Their reports should be in the same format as the attached. The standards of fiscal accountability will be the same for recipients and sub recipients alike.

Please note that, while neither you nor your sub awardees are required to submit to the state underlying documentation (i.e., invoices for materials/services, payroll registers, volunteer service records/valuations, etc.), these records must be retained by the grantee as support for your claims and also retained by your subgrantees to support their claims. Audit and/or review findings related to inadequate documentation can result in disallowances and recovery of funds, even if the funds were actually spent for the project and were otherwise allowable costs as defined by federal regulations.

Detailed instructions for preparation of the three parts of the form (Part A, Part B, and Part C) follow:

PART A:

Recipient Organization: Your name as it appears on the contract.

Contract Number: ESG-FFY200XX

Date Request Submitted: Date of report.

Cash Outlay for Month(s) of: The period covered in which cash outlays actually were incurred. Lines A, B, C, and D should include only those project costs to be counted against federal grant funds as described in your budget.

PART A: BUDGET CATEGORY

Line A,B,C,D,E: All amount for these lines will be filled in automatically from Page 2, line "E".

Line G: Cash outlays for Match requirement.

Line H: Formula for the Sum of Lines "F" and "G".

KANSAS HOUSING RESOURCE CORPORATION**EMERGENCY SOLUTIONS GRANT (ESG)****RECIPIENT REQUEST FOR REIMBURSEMENT AND FINANCIAL STATUS REPORT**

SUB RECIPIENT ORGANIZATION (CITY, COUNTY)

(Name of Sub-Recipient)

CONTRACT NUMBER

ESG - FFY2022

DATE REQUEST SUBMITTED

(date report is submitted)

CASH OUTLAYS FOR MONTH(S) OF

(when expenses were incurred)

PART A. BUDGET CATEGORY**COMMENTS**

A. ADMINISTRATION

\$0.00

B. STREET OUTREACH

\$0.00

C. EMERGENCY SHELTER

\$0.00

D. HMIS

\$0.00

E. HOMELESS PREVENTION

\$0.00

F. RAPID RE-HOUSING

\$0.00

F. SUB-TOTAL ESG FUNDS REQUESTED**\$0.00**

G. LOCAL MATCH OUTLAYS

\$0.00

H. TOTAL PROJECT OUTLAYS

\$0.00

PART B: FINANCIAL STATUS REPORT (page 2 and 3)

Recipient Organization: Your name as it appears on the contract (will reference from Page 1)

Contract Number: ESG-FFY200XX (will reference from Page 1)

"Financial Status Report as of: The last day of the report month.

For example, if you are requesting reimbursement for the month of March 1998, the Financial Status Report will be as of March 31, 1998."

Budget Period Beginning: Start of the Program Year; July 1, 20XX

Part B, Line A: The approved contract amounts from Grant Award document.

Part B, Line B: Subsequent approved adjustments to the initially approved contract. If the budget line was decreased in any category, enter the figure as a negative (bracketed) amount.

Part B, Line C: Sum of Lines A and B.

Part B, Line D: Copy from the previous report; "-0-" if this is the first report for the project.

Part B, Line E: Summary of totals by category from page 3. (No entry needed as all cells will "reference" from page 3 to current page)

Part B, Line F: Sum of Lines D and E.

Part B, Line G: Obligations incurred but not yet paid. Sum of Project Budget (line "C") less Cumulative Cash Outlays (line "F")

Part B, Line H: Sum of Lines F and G.

SUB RECIPIENT ORGANIZATION (CITY/COUNTY)							CONTRACT NUMBER		
(Name of Sub-Recipient)							ESG - FFY2022		
PART B. FINANCIAL STATUS REPORT									
REPORT AS OF				CONTRACT PERIOD BEGINNING:					
(DATE)				July 01, 2022 to June 30, 2023					
COL. (1)	COL. (2)	COL. (3)	COL. (4)	COL. (5)	COL. (6)	COL. (7)	COL. (8)	COL. (9)	COL. (10)
		Street Outreach	Emergency Shelter		Homeless Prevention	Rapid Re-housing	TOTAL	LOCAL	TOTAL
BUDGET CATEGORY	ADMIN.			HMIS			ESG FUNDS	MATCHING FUNDS	PROJECT BUDGET
A. TOTAL PROJECT BUDGET							\$0.00		\$0.00
B. APPROVED BUDGET ADJUSTMENTS							\$0.00		\$0.00
C. ADJUSTED PROJECT BUDGET	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
D. CUMULATIVE CASH OUTLAYS (Line "F" from Previous report; -0- if first report)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E. CURRENT REIMBURSEMENT REQUEST (from totals on pg 3)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
F. CUMULATIVE CASH OUTLAYS (Line "D" plus line "E")	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
G. UNLIQUIDATED OBLIGATIONS (A. Total Project Budget less F. Cash Outlays)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
H. TOTAL CASH OUTLAYS & UNLIQUIDATED OBLIGATIONS (Lines "F" + "G")	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Page 3: Enter the expenditures for the sub-awardee.

SUB RECIPIENT ORGANIZATION (CITY/COUNTY) (Name of Sub-Recipient)		TOTAL PAGE OF SUB-AWARDEE	CONTRACT NUMBER ESG - FFY2022
DETAILED BREAKDOWN OF EXPENDITURES SUMMARY (list expenditures by categories for which reimbursement is requested)			
A. ADMINISTRATION		D. HOMELESS PREVENTION	
Eligible Admin Expenses	\$0.00	Rental Assistance (short term)	\$0.00
Other	\$0.00	Rental Assistance (medium term)	\$0.00
TOTAL ADMINISTRATION (Amount should match Page 2, Line E, Col. 2)	\$0.00	Rental Assistance (arrears)	\$0.00
B. STREET OUTREACH		Housing Relocation & Stabilization Services/Financial Assistance	
Engagement	\$0.00	Moving costs	\$0.00
Case management	\$0.00	Rental application fees	\$0.00
Emergency Health / Mental Health	\$0.00	Security deposits	\$0.00
Transportation	\$0.00	Last month's rent	\$0.00
Other (Specify)	\$0.00	Utility deposits	\$0.00
TOTAL STREET OUTREACH (Amount should match Page 2, Line E, Col. 3)	\$0.00	Utility payments	\$0.00
C. EMERGENCY SHELTER		Services	
Essential Services		Housing search & placement	\$0.00
Case management	\$0.00	Housing stability case management	\$0.00
Life skills	\$0.00	Mediation	\$0.00
Child care	\$0.00	Legal services	\$0.00
Health-Mental Health/Substance Abuse	\$0.00	Credit repair	\$0.00
Education Services	\$0.00	TOTAL HOMELESS PREVENTION (Amount should match Page 2, Line E, Col. 6)	\$0.00
Employment/Job training	\$0.00	D. RAPID RE-HOUSING	
Transportation	\$0.00	Rental Assistance (short term)	\$0.00
Legal services	\$0.00	Rental Assistance (medium term)	\$0.00
Operations		Rental Assistance (arrears)	\$0.00
Maintenance (minor or routine)	\$0.00	Housing Relocation & Stabilization Services/Financial Assistance	
Rent	\$0.00	Moving costs	\$0.00
Staff Costs	\$0.00	Rental application fees	\$0.00
Insurance	\$0.00	Security deposits	\$0.00
Utilities	\$0.00	Last month's rent	\$0.00
Food	\$0.00	Utility deposits	\$0.00
Hotel/motel	\$0.00	Utility payments	\$0.00
Supplies	\$0.00	Services	
TOTAL EMERGENCY SHELTER (Amount should match Page 2, Line E, Col. 4)	\$0.00	Housing search & placement	\$0.00
D. HMIS		Housing stability case management	\$0.00
Hardware/Software	\$0.00	Mediation	\$0.00
Data collection	\$0.00	Legal services	\$0.00
Data quality/Data analysis	\$0.00	Credit repair	\$0.00
Training	\$0.00	TOTAL RAPID RE HOUSING (Amount should match Page 2, Line E, Col. 7)	\$0.00
TOTAL HMIS (Amount should match Page 2, Line E, Col. 5)	\$0.00	TOTAL PROJECT OUTLAYS (REQUEST FOR REIMBURSEMENT) (Amount should match Page 2, Line E, Col. 8)	
		\$0.00	

PART C: CERTIFICATION STATEMENT

Recipient Organization: Your name as it appears on the contract (will reference from Page 1)

Contract Number: ESG-FFY200XX (will reference from Page 1)

"Signature of Authorized Certifying Official:

The Authorized Certifying Official will be the official empowered to enter into the contract with the state and bind the entity to its terms and conditions."

Prepared By: The individual responsible for preparation of the report.

RECIPIENT ORGANIZATION (CITY/COUNTY)		CONTRACT NUMBER
(Name of Sub-Recipient)		ESG - FFY2022
PART C. CERTIFICATION STATEMENT	PART D. FOR KANSAS HOUSING RESOURCES CORPORATION ONLY	
I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents.	DATE REIMBURSEMENT REQUEST RECEIVED	AMOUNT AUTHORIZED FOR PAYMENT
	AUTHORIZED BY (ESG COORDINATOR)	DATE SUBMITTED TO FISCAL FOR PAYMENT
	VOUCHER NUMBER AND DATE	DATE CHECK MAILED TO RECIPIENT ORGANIZATION
SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	OTHER (NOTE REASONS FOR VARIANCES AND/OR OTHER INFORMATION REGARDING PAYMENT)	
TYPED OR PRINTED NAME		
TYPED OR PRINTED TITLE		
DATE		
PREPARED BY		
PREPARER'S SIGNATURE		
TYPED OR PRINTED NAME		
TYPED OR PRINTED TITLE		
TELEPHONE NUMBER		

Financial Status Report

Request for reimbursement

- FSR/payment requests received by the 20th of the month will be processed in the receiving month. Payments will generally be remitted by the end of the month
- FSR/payment requests received after the 20th may be processed the next month.
- All payment requests should be submitted electronically by email or fax.
- Payment requests must be emailed to ESG@kshousingcorp.org

Extensions to the 15-month program year are granted upon request. Subrecipients can submit their request for an extension to the ESG@kshousingcorp.org email.

The extension request must include the following

1. The length of the requested extension
2. An assurance the ESG funded agencies will fully expend their ESG funds at the end of the extension
3. The reason for the extension.

C. Emergency Solutions Grant Advance Payment:

After all required signatures are obtained on grant documents, and upon receipt of a request from the authorized staff of the subrecipient, advance payments may be remitted to the subrecipient.

The cash advance is predicated by the subrecipients' monthly expenditures alongside the ability to demonstrate need for advance payment due to program obligations. A maximum advance of ten percent (10%) of the grant award may be made to a subrecipient. Once determined advance payment funds are eligible, the subrecipient will receive the monies via standard payment process. Once the funds have been remitted, the monies will have to be fully expended (including the 10% advance) prior to any additional request for funds will be allowed.

A larger advance may be approved with adequate justification regarding program operations and/or obligations as determined by the ESG Program Manager.

D. Budget Revisions

Approved budget revisions are allowed at any point during the program year. All budget revision requests and/or requests for additional ESG funds must be submitted on Budget Revision form.

All budget revision requests or requests for additional ESG funds received by the 15th of the month will be reviewed during the receiving month. Requests received after the 15th will be reviewed the following month.

The budget revision requests and/or requests for additional ESG funds must be requested by subrecipient agency.

All budget revision requests and/or requests for additional funds must be emailed to ESG@kshousingcorp.org

All requests must contain the following information:

- Grant number or grant year
- Explanation for need for budget revision or request for additional funds
- Current budget amounts
- Requested change in budget
- New budget amounts

KANSAS HOUSING RESOURCE CORPORATION EMERGENCY SOLUTIONS GRANT RECIPIENT REQUEST FOR BUDGET REVISION / REALLOCATION			
SUB RECIPIENT ORGANIZATION (CITY, COUNTY)		AGENCY REQUESTING CHANGE:	
CONTRACT NUMBER ESG -	DATE REQUEST SUBMITTED		
BUDGET CATEGORY	ORIGINAL BUDGET AMOUNT	REQUESTED CHANGE	NEW BUDGET AMOUNT
A. STREET OUTREACH			\$ 0.00
B. EMERGENCY SHELTER			\$ 0.00
C. HMIS			\$ 0.00
D. HOMELESS PREVENTION			\$ 0.00
E. RAPID RE-HOUSING			\$ 0.00
F. SUB-TOTAL FUNDS	\$ 0.00	\$ 0.00	\$ 0.00
Comment on why you are needing the change of amounts:			

I certify to the best of my knowledge and belief that this request is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	
TYPED OR PRINTED NAME	
TYPED OR PRINTED TITLE	
DATE	

XV. MATCH

ESG requires a 100% match. The sub recipient must make matching contributions to supplement the ESG program in an amount that equals the amount of ESG funds provided by KHRC. Subrecipients identify the amount and source of match in the ESG funding application.

Matching contributions may be obtained from any source, including any federal source other than the ESG program, as well as state, local, and private sources.

However, the following requirements apply to matching contributions from a federal source of funds:

- The sub recipient must ensure the laws governing any funds to be used as matching contributions do not prohibit those funds from being used to match Emergency Solutions Grant (ESG) funds.
- If ESG funds are used to satisfy the matching requirements of another federal program, then funding from that program may not be used to satisfy the matching requirements under this section.

The matching requirement may be met by one or both of the following:

- i) Cash contributions. Cash expended for allowable costs, as defined in OMB Circulars A-87 (2 CFR part 225) and A-122 (2 CFR part 230), of the recipient or subrecipient.
- ii) Noncash contributions. The value of any real property, equipment, goods, or services contributed to the recipient's or subrecipient's ESG program, provided that if the recipient or subrecipient had to pay for them with grant funds, the costs would have been allowable. Noncash contributions may also include the purchase value of any donated building.

Calculating the amount of noncash contributions:

1. To determine the value of any donated material or building, or of any lease, the recipient must use a method reasonably calculated to establish the fair market value.
2. Services provided by individuals must be valued at rates consistent with those ordinarily paid for similar work in the recipient's or subrecipient's organization. If the recipient or subrecipient does not have employees performing similar work, the rates must be consistent with those ordinarily paid by other employers for similar work in the same labor market.
3. Some noncash contributions are real property, equipment, goods, or services that, if the recipient or subrecipient had to pay for them with grant funds, the payments would have been indirect costs. Matching credit for these contributions must be given only if the recipient or subrecipient has established, along with its regular indirect cost rate, a special rate for allocating to individual projects or programs the value of those contributions.

Costs paid by program income. Costs paid by program income shall count toward meeting the recipient's matching requirements, **provided the costs are eligible ESG costs that supplement the recipient's ESG program.**

As described in 24 CFR 576.201, to be recognized as match for ESG, each contribution must meet the requirements under 2 CFR 200.306, except that

- i) Matching contributions are not subject to the expenditure limits in 24 CFR 576.100 and
- ii) The recipient or subrecipient may use funds from another federal program as match for ESG, unless doing so would violate a specific statutory prohibition or the subrecipient counts ESG funds as match for that program.

The sub recipient may count as match the value specified in 2 CFR 200.306(d) for any building the recipient or subrecipient donates for long-term use in the recipient's ESG program, provided that depreciation on the building is not counted as match or charged to any Federal award.

If a third party donates a building to the recipient or subrecipient, the recipient may count as match either depreciation of the building and fair rental charges for the land for each year the building is used for the recipient's ESG program or, if the building is donated for long-term use in the recipient's ESG program, the fair market value of the capital assets, as specified in 2 CFR 200.306(h)(2), (i), and (j).

To qualify as a donation for long-term use, the donation must be evidenced by a recorded deed or use restriction that is effective for at least 10 years after the donation date. If the donated building is renovated with ESG funds, the minimum period of use under §576.102(c) may increase the period for which the building must be used in the recipient's ESG program.

Eligible types of matching contributions. The contribution should be for ESG eligible activities and in compliance with ESG program rules. The contribution can only be counted as match one time. For example, the full cost of a donated building can be counted as matching contribution for the 2024 grant, but not for both the 2024 and 2025 grants.

The matching funds are used in accordance with all requirements that apply to ESG grant funds, except for the expenditure limits in 24 CFR 576.100. This includes requirements such as documentation requirements, eligibility requirements, and eligible costs.

The matching funds are expended (that is, the allowable cost is incurred) after the date HUD signs the grant agreement for the ESG funds being matched.

The matching funds are expended by the expenditure deadline that applies to the ESG funds being matched.

24 CFR 576.500(o) Matching documentation: The subrecipient “must keep records of the source and use of contributions made to satisfy the matching requirement in § 576.201. The records must indicate the particular fiscal year grant for which each matching contribution is counted. The records must show how the value placed on third-party, noncash contributions was derived. To the extent feasible, volunteer services must be supported by the same methods that the organization uses to support the allocation of regular personnel costs.”

Additionally, the documentation should demonstrate the matching contribution is necessary and reasonable for accomplishing the ESG project.

Subrecipients may submit supporting documentation for match one time or in increments.

What sources of funds can be used as cash match for ESG?

The requirements for matching ESG funds are described in section 576.201 of the ESG Interim Rule, and the requirements for documenting matching contributions are described in section 576.500(o).

In general, federal (other than ESG), state, local, or private funds may be used to satisfy the requirement that the recipient provide matching contributions to ESG, so long as the following conditions are met:

1. The matching funds are contributed to the ESG program and expended for the recipient or subrecipient's allowable ESG costs.
2. If the matching funds are from another federal program, there is no specific statutory prohibition on using those funds as match.
3. The matching funds are used in accordance with all requirements that apply to ESG grant funds, except for the expenditure limits in 24 CFR 576.100. This includes requirements such as documentation requirements, eligibility requirements, and eligible costs.
4. The matching funds are expended (that is, the allowable cost is incurred) after the date HUD signs the grant agreement for the ESG funds being matched.
5. The matching funds are expended by the expenditure deadline that applies to the ESG funds being matched.
6. The matching funds have not been and will not be used to match any other Federal program's funds nor any other ESG grant.
7. The recipient does not use ESG funds to meet the other program's matching requirements.
8. The recipient keeps records of the source and use of the matching funds, including the particular fiscal year ESG grant for which the matching contribution is counted.
9. The matching funds are provided based on the total grant amount and do not have to be provided on a component-by-component basis. For example, if a recipient is spending \$10,000 on HMIS, they do not need to find \$10,000 in data collection funds from another source to use as match.

*Note: because the matching funds are contributed to the ESG program and expended for the recipient or subrecipient's allowable ESG costs, the following are not allowed to be used as match:

1. SNAP benefits (food stamps) because the funds are being used to cover the program participant's costs;
2. Housing Choice Vouchers, because the funds are used to pay the PHA's obligations under its Housing Assistance Payment contract with the owner; and

3. The tenant's portion of the rent.
4. HOME-TBRA funds **cannot** be used as match because the requirements for rental assistance are significantly different between the two programs. In particular, under the HOME TBRA program (24 CFR parts 92.209 and 92.253), a PJ and its subrecipient(s) may not require a program participant to accept any services (a PJ and its subrecipient(s) may offer services, but cannot require them). In contrast, when providing ESG homelessness prevention or rapid re-housing assistance to a program participant, the recipient or subrecipient must require the program participant to meet with a case manager not less than once per month to assist the program participant in ensuring long-term housing stability and develop a plan to assist the program participant to retain permanent housing after the ESG assistance ends (24 CFR 576.401(e)). Because of these differences in the two programs, HOME TBRA funds may not be used as Match for the ESG funds.
5. CoC SHP funds generally cannot be used as match, because very few activity costs are allowable under both SHP and ESG. However, in some cases, such as where SHP funds are used for HMIS or street outreach costs that are allowable under ESG, SHP funds can be counted as match in accordance with conditions 1-8 above. Please note, however, that HMIS costs are only eligible to be used as match under ESG if they are eligible under section 576.107 and allocable to the ESG program, whether charged as direct costs or indirect costs. If the SHP HMIS funds are being used to pay for SHP projects' data entry, those data entry costs are not allocable to the ESG program, and the funds used cannot be counted as match.

XVI. ESG Reporting Requirements

A. Annual ESG CAPER

Agencies must submit an annual ESG Consolidated Annual Performance and Evaluation Report (CAPER) to KHRC annually. The ESG CAPER is submitted to the HUD HMIS Reporting Repository (SAGE) annually in January. A separate ESG CAPER report for each ESG component must be submitted in SAGE. The CAPER will report on the outcomes from the previous calendar year (Jan 1 – Dec 31) and is due on January 15th. The annual ESG CAPER report is submitted to SAGE using the link or links provided by the SAGE system. The reports should be created using the CSV download format to be uploaded into SAGE.

B. Quarterly ESG CAPER

Agencies must submit a quarterly ESG CAPER report to KHRC. Each report will be cumulative, reporting on the clients served in the previous quarter plus clients enrolled during the reporting quarter. The quarterly reports are submitted to ESG@kshousingcorp.org. The quarterly reports should be created using the pdf format and emailed to ESG@kshousingcorp.org.

Reporting periods:

Quarter 1 (Jan 1 – March 30) due on April 15

Quarter 2 (Jan 1 – June 30) due on July 15

Quarter 3 (Jan 1 – September 30) due on October 15

Quarter 4 (Jan 1 – December 31) due on January 15

<https://www.hudexchange.info/resource/5624/sage-esg-caper-guidebook-for-esgfunded-programs/>

<https://www.kshomeless.com/hmis-resources.html>

C. Instructions for running ESG CAPER

1. Steps to run the ESG CAPER report in Clarity:
 - a. Navigate to the Report Library
 - After logging into **Clarity HMIS**, click on the **Launchpad** (the grid icon at the top right).
 - Select **Reports** from the menu.
 - In the **Report Library**, locate the **HUD Reports** section.
 - b. Locate the ESG CAPER Report
 - Find the report titled **[HUDX-228] ESG CAPER**.
 - Click the **Run** button next to the ESG CAPER.

c. Set Your Report Parameters

Before running the report, you will be asked to select a few parameters:

Parameter	Description
Switch Access Agency(ies)	Choose your agency from the list.
CoC Filter Category	Choose "Agency CoC".
CoC(s)	Choose the CoC (Continuum of Care) your project operates within.
Project Type(s)	Select your specific ESG-funded project(s). You can select multiple projects if needed. Holding control on your keyboard then left clicking allows you to select multiple projects at a time.
Program Status	
Program(s)	Select your specific ESG-funded project(s). You can select multiple projects if needed. Holding control on your keyboard then left clicking allows you to select multiple projects at a time.
Apply Enrollment CoC Filter	Please choose No.
Federal Funding Source Criteria	Please choose "Not Based on Federal Funding Source".
Funding Criteria	Please choose "Not Based on Funding Source".
Client ID Selection	Please choose "Clarity Unique Identifier" unless directed otherwise by your grant manager.
Report Start Date	Enter the beginning date for the reporting period.
Report End Date	Enter the ending date for the reporting period.
Report Output Format	Select the "CSV-Upload" option for the annual ESG CAPER and pdf for the quarterly ESG CAPER

d. Run and Download the Report

- After selecting your parameters, click **Submit**.
- The system will take a few minutes to generate the ESG CAPER report.
- Once complete, you can click the "**Open**" button and the file will download to your computer.

e. Common Notes

- **Missing Data Warnings:** If your report has missing or incomplete data, review the errors listed in the report output and correct them in HMIS before re-running the report.
- **Time Needed:** Depending on the size of your project, the report may take a few minutes to generate.
- **Saving Reports:** Save a copy of your report externally for your records and submission needs.

XVII. Monitoring the ESG Grant

A. Overview of ESG monitoring

Monitoring is an on-going process and is not limited to the periodic “on-site monitoring visit.” The on-going process includes review of grant applications, monthly financial status reports, independent audit reports, and other programmatic reports. Monitoring may include a review of the agency’s participation in HMIS and with Coordinated Entry.

Agencies will be selected for ESG monitoring based on their risk assessment score. The ESG Program Manager and Community Solutions Fiscal Monitor will complete annual risk assessments on all ESG funded agencies. Agencies with a high risk assessment score will be prioritized for monitoring.

On-site, ESG monitoring may occur at any time and without notice. Typically, however, written notice of the monitoring visit will be provided, at a minimum, one week in advance of the visit.

ESG Subrecipients and ESG funded agencies can anticipate an on-site review by KHRC staff for the purposes of monitoring every other year if in good standing or more frequently as necessary. KHRC will conduct an on-site of each newly designated eligible entity immediately after the completion of the first year in which such entity receives ESG funds.

A typical visit can be expected to require two to five days. The monitor(s) will:

1. Offer both an entrance and exit interview.
2. Provide a written summary of the visit no more than 60 days following the visit. This summary will be distributed to the entity’s Executive Director/CEO and and/or one other designated staff as appointed by the Executive Director/CEO. The written summary will clearly identify deficiencies, if any, as compliance issues and/or findings and may include a discussion of best practice, concerns, and opportunities.
3. Classification of results identified during the monitoring visit
 - Best practices
 - Recommendations
 - Concerns
 - will require a response from the subrecipient
 - Findings
 - will require a response from the subrecipient
4. The program monitoring tool will be distributed prior to the monitoring visits.
5. The Programmatic Monitoring review may include, but is not limited to a review of:
 - A. Program policies and procedures.
 - B. ESG Written Standards

- C. Income guidelines and verification procedures.
 - D. Intake forms and procedures.
 - E. Documentation of program eligibility
 - F. Adherence to Federal and State guidelines and requirements.
 - G. ESG policies and procedures
 - H. Fiscal policies and procedures
 - I. Client files
 - J. Participation in HMIS
 - K. Participation with Coordinated Entry
 - L. Documentation the ESG subrecipient agency has conducted a program and fiscal monitoring of the ESG funded agencies as required by 2 CFR 200
6. The purpose of the fiscal monitoring review is to determine contractual and financial compliance with the terms of our agreements. The review has been designed to test the reliability and integrity of accounting and financial information submitted to KHRC, as well as the Agency's compliance with established policies, plans, procedures, and guidelines.
- The monitoring process will include the review of supporting documentation for a sampling of transactions chosen from the various requests for reimbursement/ invoice submitted under awards throughout the Grant years referenced above. The person(s) responsible for maintaining the Agency's accounting system and for completing the reports submitted to KHRC should plan to be available during the term of the visit.

The fiscal review may include, but is not limited to a review of:

- Policies and Procedures, including Financial Policies and Procedures
- Audits - Other Program Audits (including Management Letter) and Monitoring Reports
- Financial Statements
- Indirect Cost Rate Agreement or Cost Allocation Plan
- Chart of Accounts
- Accounting forms
- Contract file, including the Scope of Work and all correspondence
- Contracts with subcontractors and sub-grantees, if applicable
- Bank Statements, canceled checks, cash receipts, journals, deposit records, and bank reconciliation reports
- Any financial reports related to the grant year funding
- Blank Copy of current forms used (ex: vendor information, purchase request, travel request/reimbursement)
- Award notification(s) and executed contracts
- Bank statements, canceled checks, cash receipts journals, deposit records and bank reconciliation reports
- Any financial reports related to the grant year funding

- Insurance Policies/Certificates for:
 - General Liability
 - Automobile
 - Worker's Compensation
 - Directors & Officers
 - Bond

XVIII. Client File Documentation Requirements:

		Street Outreach	Shelter	Homeless Prevention	Rapid Re-Housing
General (verification clients received this information)	Program Rules / Termination Policy				
	Written Grievance Procedure / Appeals policy				
	Right to Fair Housing				
	Client Consent for HMIS or HMIS comparable data				
Eligibility Certification					
	Staff Affidavit				
Homeless Status (File must have one of these with the appropriate supporting documentation)					
	Homeless Certification				
	Homeless Self-Certification				
	At Risk Certification				
Income					
	Income Calculation Worksheet	N/A	N/A		
	Verification of Income	N/A	N/A		
	Verification Tracking of Income	N/A	N/A		
Intake Assessment					
	Housing Stability Plan				
	Case Notes				
	Coordinated Entry				
Housing Assistance					
	Rent Reasonableness & FMR	N/A	N/A		
	Lead Screening	N/A	N/A		
	Habitability Inspection	N/A	N/A		
	Rental Assistance Agreement	N/A	N/A		
	Lease Agreement	N/A	N/A		

